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ABSTRACT

This report focuses on implementation, impacts, and time limit in Florida's Family Transition Program (FTP), a welfare reform initiative. Chapter 1 describes FTP and evaluation, target population, and data. Chapter 2 describes implementation of FTP in Escambia County: staffing and organizational structure of FTP and traditional Aid to Families with Dependent Children (AFDC) programs and services provided, differences between FTP and AFDC, participation levels in employment-related activities among FTP and AFDC group members, and changes in FTP over time. Chapter 3 discusses the process when clients approach and reach FTP's time limit on cash assistance, including the following aspects: how quickly, how many, and which FTP participants are reaching the time limit; time-limit review process; time limit; and average earnings and welfare receipt of individuals whose benefits were terminated. Chapter 4 discusses early findings from the post-time-limit study. Chapter 5 uses administrative records data to examine FTP's impacts on employment earnings, welfare receipt, and family income during the 3 years after random assignment. Key findings are as follows: FTP has increased participants' total income, reduced reliance on public assistance, and produced different results for different subsets of the welfare population. Only a small proportion of FTP participants have reached the time limit, but almost all of these have had their benefits entirely canceled. Appendixes contain 21 references, additional tables, study sample, and methodology. (YLB)

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FTP

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Manpower Demonstration Research Corporation

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Preface

This is the fourth report in MDRC's multi-year evaluation of Florida's Family Transition Program (FTP), one of the most important initiatives developed under waivers of federal welfare rules granted before the passage of the 1996 welfare law. Implemented in 1994, FTP was one of the first welfare reform initiatives to impose a time limit on the receipt of cash assistance; it also provides a rich array of services and supports designed to help participants achieve self-sufficiency. FTP was planned as a pilot program and operates in one county — Escambia (Pensacola). However, it has also informed the design of Florida's current statewide program, called WAGES.

Like the previous reports in the study, this one presents a generally positive picture of FTP's results. Three years after entering the study, individuals who were subject to FTP received less public assistance and had higher overall income, on average, than similar people in a group that remained subject to the prior welfare policies. The results varied for subgroups of the welfare population: Those who entered FTP with both a high school diploma (or equivalent) and recent work history experienced particularly large gains in earnings and income. In contrast, those who had no diploma and no recent work history actually had lower income than their counterparts in the group subject to prior policies.

Under FTP, most recipients are limited to 24 months of welfare receipt in any 60-month period; certain groups facing greater barriers to employment are limited to 36 months in any 72-month period. Relatively few participants reached FTP's time limits during the three-year follow-up period for this report, but almost all of those had their welfare grants ended. Data are just beginning to emerge from follow-up studies examining the families whose grants were discontinued.

The final report in the FTP study, scheduled for next year, will fill in critical pieces of this unfolding story. It will include data for at least four years of follow-up, long enough to see whether the overall results — or the results for specific subgroups — begin to change when the more disadvantaged recipients begin to reach the 36-month time limit. The report will also draw on a survey of several thousand study participants that will provide detailed data on respondents' living arrangements, household income, and job characteristics, and the well-being of their children. The final report will also present the results of a number of in-depth interviews conducted 18 months after recipients reached the time limit and had their grants terminated.

We are deeply grateful to the Florida Department of Children and Families, which has unstintingly supported and assisted the evaluation, and to the U.S. Department of Health and Human Services and the Ford Foundation for their support. This level of commitment has made the entire project possible, allowing Florida, other states, and the nation as a whole to benefit from early information about these major new directions in social policy.

Judith M. Gueron
President

Acknowledgments

This report could not have been completed without the contributions of many people in the State of Florida and at MDRC.

Managers and staff at the Florida Department of Children and Families in Escambia County have made the evaluation procedures work, despite very challenging circumstances; they have spoken candidly with us during site visits and have patiently responded to numerous requests for information. Space does not permit us to name every person who has contributed to the study, but special thanks are due Mamun Rashied, District Program Manager, and Vicki Davis, FTP Program Administrator. Phil Wrobel and Jan Blauvelt have also made many valuable contributions. Shirley Jacques, former FTP Program Administrator, and John Bouldin played key roles in earlier years. Freda Lacey, of the Florida Department of Labor and Employment Security, has also assisted the study.

In the Department of Children and Families central office, Don Winstead has been the driving force behind the study. Tom McConnell and Marcia Dukes have also contributed on many occasions. Bill Hudgens and Wen Wu McDaniel, of the Department of Children and Families, and Christo Tolia and Jerry Arnold, of the Division of Public Assistance Fraud, have been instrumental in providing administrative records data.

At MDRC, Barbara Goldman has overseen the FTP evaluation since its inception and has provided valuable guidance. Judith Gueron, Gordon Berlin, and Charles Michalopoulos reviewed several drafts of the report and offered many thoughtful comments and suggestions.

Richard Hendra was the primary programmer for the impact analysis and helped shape the subgroup analysis. Rachel Hitch assisted with data collection, analysis, and writing. She also produced tables and coordinated the report, assisted by Ramona Ortega. Ebonya Washington contributed to the analysis of the post-time-limit study and wrote the appendix describing that study's methodology.

Anita Kraus, working under the supervision of Irene Robling, prepared the administrative records data for analysis. Jordan Kolovson oversaw the administration of the post-time-limit survey, and Gloria Battle and Patti Anderson conducted the interviews. Shirley James, Joyce Dees, Donna George, Marguerite Payne, and Carmen Troche key-entered the post-time-limit survey data.

Robert Weber edited the report. Stephanie Cowell and Patt Pontevolpe produced figures and prepared the document for publication.

The Authors

Executive Summary

The Family Transition Program (FTP) is a welfare reform pilot project that began operating in 1994 in Escambia, a mid-sized county in northwestern Florida that includes the City of Pensacola. FTP was one of the first welfare reform initiatives in the nation to include a time limit on the receipt of cash assistance. The program also includes a broad array of services, mandates, and financial work incentives designed to help welfare recipients prepare for, find, and hold jobs. FTP was implemented more than two years before the passage of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), and it anticipated several elements of the new federal law. FTP also served as a model for Florida's statewide welfare reform, Work and Gain Economic Self-Sufficiency (WAGES), which was implemented in late 1996. Thus, FTP provides important lessons on the implementation and potential effects of more recent welfare reform initiatives in Florida and elsewhere.

This is the fourth report in a multi-year evaluation of FTP being conducted by the Manpower Demonstration Research Corporation (MDRC) under a contract with the Florida Department of Children and Families, the agency that administers FTP. The evaluation is also supported by the U.S. Department of Health and Human Services and the Ford Foundation. MDRC is a nonprofit, nonpartisan organization with more than two decades' experience designing and evaluating social policy initiatives. The report describes FTP's implementation and examines how the program is affecting welfare receipt, employment, and family income, among other measures.

While the results presented here go beyond those presented in the prior reports, it is still too early to draw final conclusions about FTP's effectiveness. The report's main analysis follows individuals for three years, long enough to see the results that were generated when small numbers of recipients reached FTP's 24-month time limit (nearly 60 percent of FTP participants are subject to a 24-month time limit, but the vast majority of them left welfare before reaching the limit). But over 40 percent of FTP participants — those facing greater barriers to employment — are subject to a 36-month time limit, and the report's follow-up period is not long enough to track many of these people to the point when they reached the limit. Moreover, the data used in the report mostly come from administrative records that may not provide a full picture of families' economic situations.

A final report in 2000 will include at least four years of follow-up data and will also draw from a large-scale survey that will provide more detailed information on families' income, expenses, living standards, and the well-being of their children.

1. The Findings in Brief

For purposes of the evaluation, welfare applicants and recipients in Escambia County were assigned, at random, to one of two groups: the *FTP group*, whose members are eligible for FTP's special services and financial incentives and subject to its mandates and time limit; and the

Aid to Families with Dependent Children (AFDC) group, whose members are subject to the welfare rules that were in place before FTP began. (Although AFDC group members are neither eligible for FTP's services nor subject to its time limit, many of them are required to participate in employment-related activities, in accordance with prior welfare rules.) Because people were assigned to one or the other group at random, the two groups are comparable. Thus, any differences in employment, welfare receipt, or other outcomes that emerge between the groups over time can be confidently attributed to FTP. These differences are known as FTP's *impacts*.

The report focuses primarily on about 2,800 people (1,400 in each group) who were assigned to the two groups between May 1994 (when FTP began) and February 1995. It uses administrative data to track each person for three years after he or she entered the study. The report's key findings include the following:

- **On average, FTP has both increased participants' total income and reduced their reliance on public assistance.** In Year 3 of the study period, FTP group members had an average of $449 (7 percent) more combined income from cash assistance, Food Stamps, and earnings than did members of the AFDC group. On average, FTP group members received $301 (35 percent) less in cash assistance and $112 (9 percent) less in Food Stamps, but these reductions in public assistance were more than offset by a substantial $862 (22 percent) increase in average earnings. The increase in average income for the FTP group as a whole is notable because some members of the group reached the time limit during Year 3 and lost income as a result; this suggests that other members of the FTP group gained enough income to offset the losses for those who reached the time limit. It will be important to see whether the overall income gains continue in Year 4, when a larger number of FTP group members who were assigned a 36-month time limit will have reached the limit and had their benefits canceled.

- **FTP has produced different results for different subsets of the welfare population.** For example, among those who had both a high school diploma or General Educational Development (GED) certificate and recent work experience when they entered the program, FTP group members had $939 (13 percent) more combined income from public assistance and earnings in Year 3 than their AFDC group counterparts; the income gain was driven by a substantial $1,249 (21 percent) increase in average earnings. In contrast, FTP generated no increase in earnings for those who entered the program with neither a high school diploma/GED nor recent work experience — a group facing serious barriers to employment. In fact, FTP group members in this subgroup had less income than their AFDC group counterparts throughout much of the follow-up period.

- **Only a small proportion of FTP participants have reached the time limit, but almost all of those who reached that point have had their benefits entirely canceled.** As of June 1998, only 223 (11 percent) of the 1,960 FTP group members who could have reached their time limit had done so. Most of

the others had left welfare and still had months remaining on their clocks. A smaller number received either 24 or 36 months of benefits, but some of the months did not count, usually because the participant had been granted a medical exemption. Of the 223 participants who reached the limit, 210 (94 percent) had their welfare grant entirely canceled at that point. Four were granted brief extensions, and the children's portion of the grant was retained in nine cases because it was determined that full cancellation would put the children at risk of foster care placement. A little under half of the participants who reached the time limit were working and earning at least as much as a standard welfare grant at that point.

Like the previous reports in this study, this one presents a generally positive assessment of the Family Transition Program. Although the results vary for different subgroups, on average, FTP has both increased families' income and reduced their reliance on public assistance during the first three years of the follow-up period. Moreover, for a number of reasons described below, these results are probably a conservative estimate of FTP's impacts. However, it is still too early to draw final conclusions because many of the least employable FTP participants had not yet reached the time limit when the report's follow-up period ended. The final report will fill in additional pieces of this important story.

II. The Policy Context

The 1996 federal welfare law fundamentally changed the structure and funding of cash assistance for needy families, but many of the specific policies that the law encourages states to adopt were already being implemented under waivers of federal AFDC rules that had been granted to 43 states prior to the bill's passage. For example, while the law restricts states from using federal funds to provide assistance to most families for more than 60 months, more than 30 states had previously received waivers to implement some form of welfare time limit in at least part of the state.

Florida's Family Transition Program is one of the most important initiatives implemented under waivers because it was one of the first to include a time limit on welfare benefits. In fact, Escambia County was the first place in the United States where single-parent welfare recipients reached a time limit and had their benefits canceled. (The first recipients reached the limit in early 1996.) As of late 1997, 26 states had imposed a 60-month benefit termination time limit (that is, a time limit that results in the cancellation of a families' full welfare grant), and 19 others had imposed termination time limits of less than 60 months.[1]

Because time limits are so new, very little is known about how they will be implemented or how they will affect welfare recipients, their families, or government spending. Proponents contend that time limits will motivate recipients and the welfare system to focus on self-sufficiency and that curtailing long-term welfare receipt will help alleviate a range of social

[1] Gallagher et al., 1998.

problems. Critics argue that many welfare recipients have low skills and other problems that will make it difficult for them to support their families over the long term without welfare. Thus, they argue, imposing time limits will ultimately harm many vulnerable families with children. The FTP evaluation — which uses a rigorous research design and a rich array of data sources — is providing vital early information on the implementation and impacts of this key change in welfare policy.

III. The Socioeconomic Context

Several aspects of the socioeconomic context in which FTP has been implemented are important in assessing its results.

First, FTP has been implemented in a relatively healthy economic climate. Escambia County's unemployment rate (4.5 percent in mid-1998) has remained at or below the state and national averages throughout the period of the study.

Second, FTP has been implemented during a period when welfare reform has been a central focus of policy debates at the national and state levels. The 1996 federal welfare law was signed just over two years after FTP started operating, and Florida implemented WAGES statewide a few months later. As discussed below, the intense media coverage of welfare-related issues during this period may have affected the behavior of AFDC group members, even though they are not subject to FTP's policies.

Third, in a related issue, after rising sharply in the early 1990s, Florida's statewide welfare caseload has been dropping rapidly since 1994: The statewide caseload declined by 61 percent between February 1994 and May 1998, the largest drop recorded in any large state during this period. The number of families receiving cash assistance in Escambia County declined by a similar amount during this period, falling from 6,603 to 2,544 (a drop of 62 percent).

IV. The Family Transition Program

All of the welfare applicants and recipients who were randomly assigned to the FTP group were required to enroll in the program. Although FTP's time limit is its best-known feature, the program is in fact a multifaceted initiative that includes a wide range of features designed to assist and require participants to move toward self-sufficiency. The program includes four major components:

- **A time limit.** Most recipients are limited to 24 months of cash assistance receipt in any 60-month period after entering FTP, although certain groups of particularly disadvantaged recipients have a limit of 36 months of receipt in

any 72-month period.[2] Temporary extensions of the time limit may be granted under certain circumstances, and the program model calls for post-time-limit, publicly funded work opportunities for FTP participants who make a diligent effort but have not found a job by the time they reach the time limit. A citizen Review Panel helps to determine whether participants are considered to have complied with program rules and makes recommendations regarding extensions and benefit terminations.

- **Financial work incentives.** FTP changes a number of welfare rules to encourage and reward work. Most important, the first $200 plus one-half of any remaining earnings are disregarded (that is, not counted) in calculating a family's monthly welfare grant. In addition, FTP allows families to accumulate more assets than were previously allowed without losing eligibility for benefits. Finally, subsidized transitional child care is provided for two years after recipients leave welfare for work (as opposed to the one year of assistance provided under traditional AFDC).

- **Enhanced services.** FTP participants can receive a variety of services designed to help them prepare for and find employment. FTP participants receive intensive case management, provided by workers with small caseloads. Clients also receive enhanced employment and training services (most FTP participants are required to participate in such services for at least 30 hours per week), social and health services, access to expanded funding for child care and support services, and other kinds of assistance. Many of FTP's services are located together in the FTP program offices (known as "service centers") to make them more accessible. In addition, participants who find jobs and earn their way off welfare can obtain support for further education or training.

- **Parental responsibility mandates.** Under FTP, parents with schoolage children are required to ensure that their children are attending school regularly and to speak with their children's teachers each grading period. Welfare applicants with pre-schoolage children must verify that their children have begun the necessary immunizations. Parents who fail to comply with these mandates — or the employment and training participation requirements described above — may be sanctioned (that is, their grants may be reduced or canceled).

FTP's enhanced services and incentives involved a substantial upfront investment. The program's designers hoped that this initial investment would be recouped when recipients moved off welfare and into jobs.

[2]Recipients are assigned a 36-month time limit if they (1) received welfare for at least 36 of the 60 months before entering FTP or (2) are under 24 years old and have no high school diploma and little or no recent work history.

V. The FTP Evaluation

The FTP evaluation was initially required as a condition of the federal waivers that allowed Florida to operate the program. The state has elected to continue the study even though waivers are no longer needed to implement FTP. The study includes three main components:

- An implementation analysis that examines how FTP operates;
- An impact analysis that assesses what difference the program makes; and
- A benefit-cost analysis that compares the program's financial benefits and costs for government budgets and program participants.

This report presents results from the implementation and impact analyses. Although cases were assigned to the FTP and AFDC groups from May 1994 through October 1996, as noted earlier, the report focuses primarily on the roughly 2,800 single-parent cases who were randomly assigned to the two groups between May 1994 and February 1995; these individuals are referred to as the *report sample*. The impact analysis also looks at results for various *subgroups* within the report sample.

The report's analysis relies mainly on computerized records of monthly AFDC/TANF payments,[3] monthly Food Stamp benefits, and quarterly earnings in jobs covered by the Florida Unemployment Insurance (UI) system for each member of the two groups. Each person is tracked for three years after her or his random assignment date (FTP group members are tracked for 42 months for a special analysis of how quickly participants are using up months of welfare benefits).

In interpreting the study's results, it is critical to consider two distinctive aspects of the FTP research design. First, people who met the criteria for an exemption from FTP at the point when they were slated to enter the study were screened out and excluded (i.e., they did not go through the random assignment process and remained subject to traditional AFDC rules). The excluded group included people who reported that they were incapacitated.[4] This means the study sample may not include some of the most difficult-to-employ welfare recipients in the county.

Second, as noted earlier, many members of the AFDC group have been required to participate in employment-related activities, in accordance with prior welfare rules. Thus, the impact analysis is measuring what difference FTP makes *over and above* the outcomes generated by Florida's pre-existing welfare-to-work program (known as Project Independence). This is in contrast to many previous studies, in the which the control group was not required to participate

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[3]The term "AFDC/TANF payments" refers to cash assistance previously provided under AFDC and currently provided under the Temporary Assistance for Needy Families block grant. The FTP group is subject to rules that are consistent with TANF, while the AFDC group is subject to traditional AFDC rules.

[4]The following are exempt from FTP: caretaker relatives whose needs are not included in the welfare grant, incapacitated or disabled people, children under 18 years old who are in school or working at least 30 hours a week, people who are caring full time for a disabled dependent, parents/caretakers of children age six months or younger, and people who are 62 years of age or older.

in employment-related services, and it suggests that FTP may have a higher "hurdle" to clear in order to produce impacts.

Finally, while random assignment is generally considered to be the most reliable way to assess what difference a new program makes, it is important to note that the FTP research design is limited in some respects. Notably, because people entered the study when they were applying for welfare (or having their eligibility reviewed), the evaluation cannot assess whether FTP has affected the number of people who decide to submit an application. In addition, it has been impossible to entirely insulate members of the AFDC group from the national and state welfare reform debates. Thus, in a survey conducted two years after people entered the study, 29 percent of AFDC group members reported (incorrectly) that they were subject to a time limit on welfare receipt (the figure was about 90 percent for the FTP group). This means the study may underestimate the impacts that are driven by people's awareness of the time limit. More generally, it is reasonable to assume that some members of the AFDC group who knew they were not subject to FTP's provisions were nonetheless influenced by the broader public discourse about welfare reform over the past few years.

VI. FTP's Implementation

The FTP group members who are examined in the report's impact analysis entered the program just after it began operating. Previous reports in the study have highlighted several important aspects of FTP's implementation during this period and have described the major ways in which FTP differed from traditional welfare, as experienced by members of the AFDC group. Key findings from these earlier reports include:

Despite some start-up problems, FTP has been generously funded and has provided a range of services to participants. The centerpiece of the program has been intensive case management provided by workers with small caseloads (about 35 cases per worker, on average). In a survey conducted two years after random assignment, 73 percent of FTP group members reported that staff had taken the time to get to know them and their particular situations; the corresponding figure for the AFDC group was 42 percent. FTP has also had ample funding for child care subsidies and has offered a broad array of social and health services not normally provided to welfare recipients.

FTP group members were much more likely to participate in employment-related activities. In the two-year survey, 72 percent of FTP group members and 45 percent of AFDC group members reported that they had participated in at least one employment-related activity. This difference in part reflects the fact that AFDC group members with children under age three were exempt from participation mandates, while FTP group members with young children were required to participate. At least during the early operational period, FTP's employment services did not adopt a "work-first" focus: 70 percent of FTP group members who participated in at least one employment-related service entered an education or training activity (there was also a strong emphasis on job search activities, and many people participated in both education or training and in job search).

FTP group members were subject to a more intensive set of mandates to participate in activities designed to promote self-sufficiency, and these mandates were vigorously enforced. About one-third of FTP group members were sanctioned for failing to comply with program mandates within two years after random assignment compared to about 11 percent of AFDC group members.[5]

FTP has generally succeeded in transmitting a new message focusing on self-sufficiency. As noted earlier, nearly 90 percent of FTP group members reported on the survey that they were subject to the time limit, and FTP group members were also much more likely than AFDC group members to report that staff urged them to take a variety of steps toward self-sufficiency. At the same time, FTP's message during this period did not necessarily focus on leaving welfare quickly in order to "bank" or "save" the months remaining under the time limit: Nearly 80 percent of FTP group survey respondents reported that staff urged them to get education and training, while only 31 percent reported that staff urged them to save up their months of benefits for when they needed assistance most. Finally, it is important to note that early FTP enrollees first heard about the time limit during a period before anyone in the country had actually reached a time limit; staff believe that many participants were skeptical that the time limit would really be implemented as planned.

VII. The FTP Time Limit

- **Only a small proportion of FTP enrollees have reached the time limit. The vast majority left welfare before accumulating the 24 or 36 months of benefits allowed under their time limit.**

Figure 1 shows the status in June 1998 of the 1,960 FTP group members who enrolled early enough that they could have reached the time limit by that point.[6] Of the 1,960, only 223 (11 percent) had reached the time limit.

Two factors explain why the number reaching the time limit has been small. First, a large majority of FTP participants left welfare before accumulating 24 or 36 months of benefits. A separate analysis (not shown in the figure) found that only 16 percent of those with a 24-month time limit accumulated 24 months of benefits within 42 months after random assignment. Participants with a 36-month time limit — who face greater barriers to employment — are accumulating months more quickly. Still, even among this group, only 23 percent accumulated 36 months of benefits within 42 months after enrollment. (As discussed below, members of the AFDC group — who are not subject to FTP's provisions — accumulated months of benefit receipt at about the same rate.)

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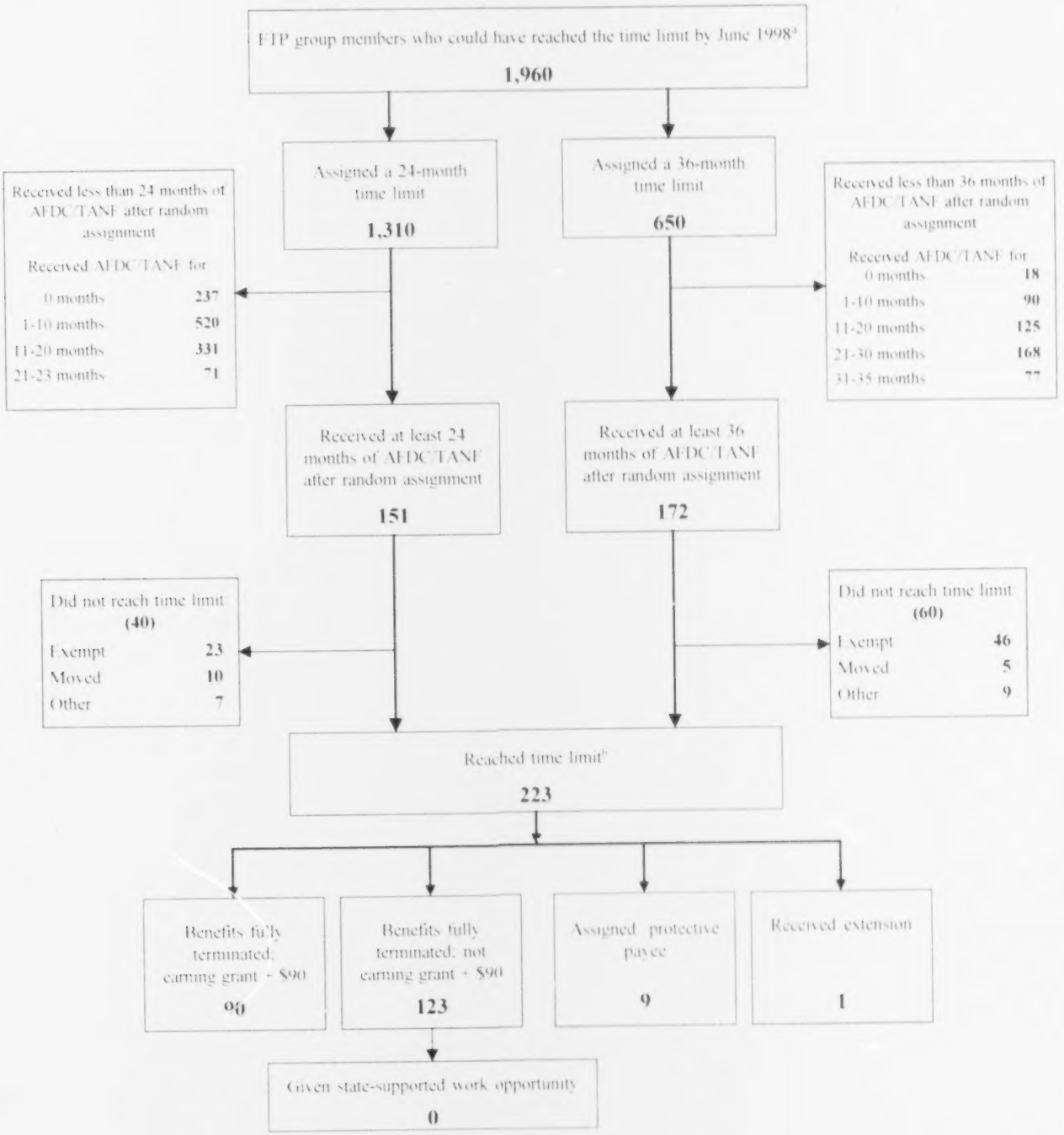
[5]Initially, sanctions for both groups involved removing the noncompliant individual (generally the parent) from the grant calculation, resulting in a lower benefit amount. Since mid-1997, both groups have been subject to "full-family sanctions" that can close the entire cash assistance case (and, in some situations, the Food Stamp case as well). The data discussed in this section were collected before the imposition of full-family sanctions.

[6]This total includes all FTP group members with a 36-month time limit who enrolled between May 1994 and July 1995, and all those with a 24-month time limit who enrolled between May 1994 and July 1996. (In both cases, some people who are not members of the report sample are included.)

Figure 1

Florida's Family Transition Program

Status as of June 1998 of Single-Parent FTP Group Members



NOTES: [a]This total includes all FTP group members with a 24-month time limit who enrolled between May 1994 and July 1996 and all FTP group members with a 36-month time limit who enrolled between May 1994 and July 1995.

[b]Of this group, three individuals were granted a four-month extension before their benefits were terminated.

Second, a substantial proportion of those who received 24 or 36 months of benefits did not actually reach the limit, because some of their months of receipt did not count. Figure 1 shows that, of the 323 people who had accumulated 24 or 36 months of benefits by June 1998 (151 with a 24-month time limit and 172 with a 36-month time limit), nearly one-third (100) had not reached the time limit. Most of the 100 who did not reach the limit had been granted an exemption, usually for medical reasons, that temporarily or permanently stopped their time-limit clock. As noted earlier, staff attempted to identify and screen out individuals with exemptions before they were randomly assigned, but some people were granted exemptions after entering FTP, either because the medical condition did not exist at the point of random assignment or because staff did not know about it. Medical exemptions were particularly likely for participants subject to a 36-month time limit.

- **Although the number reaching the time limit has been small, almost all of those who reached that point had their benefits entirely canceled.**

FTP's policies include three safeguards for people who reach the time limit:

- Participants who comply with FTP's mandates but encounter "extraordinary difficulties in obtaining employment" may receive up to two benefit extensions of up to four months each.

- If a "compliant" participant reaches the time limit without a job, FTP promises to provide her with a public or private work opportunity that allows her to earn at least as much as the welfare payment standard (the maximum monthly grant for her family size), plus a $90 allowance for work expenses.

- Even if a participant is deemed "noncompliant," the children's portion of her grant can be retained and diverted to a third-party "protective payee" (actually, a nonprofit agency) if it is determined that cancellation of the full grant would place the children at serious risk of foster care placement.

Figure 1 shows that these special provisions have rarely been used. As of June 1998, 210 of the 223 sample members who had reached the time limit (94 percent) had their entire grant canceled at that point. Four people received brief extensions (one was in the midst of the extension in June 1998), and the children's portion of the grant was retained in the nine remaining cases. Although program records indicate that 123 of the people who reached the time limit were not earning grant + $90 (i.e., $90 more than the payment standard) at that point, no one had been given a post-time-limit subsidized job.

The main reason for the small number of extensions is that few FTP participants have requested an extension. The small number of requests may be attributable to the fact that most FTP workers do not discuss extensions with participants; staff speculated that many participants may not be aware that extensions are possible.

The relatively small number of cases in which the children's portion of the grant was retained is likely attributable to the tight criteria for this safeguard. The child welfare staff who conduct these reviews have reported that they do not attempt to predict whether children in the

family may end up in foster care but, rather, whether *cancellation of the grant, per se,* will produce that outcome. If a participant has family nearby, for example, the review is likely to conclude that these relatives could care for the children if the parent did not have the means to do so.

The key reason why no one had been given a post-time-limit subsidized job is that a large majority of the people who reached the time limit without earning grant + $90 had been deemed noncompliant and thus ineligible for such a position (a few had been deemed compliant but reportedly had other income sources when they reached the time limit or did not want a subsidized job).

FTP has no written definition of compliance, but a multi-step process is used to assess each case approaching the time limit. Although compliance is assessed throughout a participant's time in FTP, a key step occurs about six months before a case reaches the time limit, when staff decide whether the participant should be referred to the citizen Review Panel for a hearing. The panel was created to review the Department of Children and Families' delivery of FTP services and the progress of participants. Participants may be sent to the Review Panel at several points during their time in FTP.

FTP staff report that cases are referred to the Review Panel either because they have failed to comply with FTP mandates or because they are failing to make progress toward self-sufficiency. An analysis conducted by MDRC found that participants who are not employed six months before reaching the time limit are almost always referred to the panel at that point (some who are employed are also referred). Staff say that they refer cases to the panel both because the hearing may serve as a "wake-up call" and motivate the participant to try harder and because the panel reviews whether FTP provided the participant with sufficient services.

Whatever the reason for the referral, virtually all of the cases referred to the Review Panel six months before the time limit are deemed noncompliant and subsequently are sent a letter from the District Administrator saying that their benefits will be canceled at the time limit (MDRC reviewed 49 cases referred to the panel in the second half of 1997, and all later were slated to receive such a letter). Participants who are deemed noncompliant are not eligible for post-time-limit subsidized jobs. Interviews with active Review Panel members found that the members viewed their primary responsibilities as (1) ensuring that FTP participants receive adequate services and (2) offering clients and staff recommendations on how they should spend their remaining time in the program.

- **There are clear differences in the characteristics of FTP group members who have reached the time limit and those who have not.**

Using data collected at the point people entered the study, MDRC compared the characteristics of people who reached the time limit by June 1998 with those of people who could have reached the time limit but had not yet done so.

Not surprisingly, people who reached the time limit were more likely to have received welfare for a long time prior to entering FTP. For example, 33 percent of those who reached the limit had received benefits for five years or more compared to 19 percent of those who had not reached the limit. Similarly, 46 percent of those who reached the time limit had ever (prior to

random assignment) worked full time for six months or more for one employer compared to 67 percent of those who did not reach the time limit.

In terms of their demographic characteristics, people who reached the time limit were somewhat younger (34 percent of them were 20 to 24 years old at random assignment compared to 23 percent of those who did not reach the limit), were more likely to have very young children, and were more likely to be African American. Those who reached the limit were also much more likely to be living in public or subsidized housing.

Finally, there were differences in attitudes, as expressed in a private survey administered at the point of random assignment. For example, those who did not reach the time limit were more likely to report feeling stigmatized for being on welfare. Among those who reached the time limit, 31 percent said they were ashamed to admit to people that they were on welfare; 43 percent of those who did not reach the limit gave this response. These responses may also be related to the fact that those who did not reach the limit were much more likely to report that most of their family and friends were not on welfare.

VIII. FTP's Impacts on Employment and Public Assistance Receipt

The impact results presented in this report cover the first three years after random assignment for each member of the report sample. The results focus on three statuses — whether sample members were working in UI-covered jobs, whether they were receiving cash assistance (AFDC/TANF), and whether they were receiving Food Stamps — as well as the amount of income sample members derived from each of these three sources. The data are reported in three-month periods (quarters) because the earnings data are provided in that format.

Because they are based on Florida's administrative records and apply only to the sample member herself, the income measures do not capture all income that is available to families in the two groups. For example, sample members may have "off the books" earnings, may be living with other people whose income is not included in the records, or may be living or working outside Florida. The data also do not provide information on sample members' work-related expenses. A large-scale survey, currently being administered 48 months after people entered the study, will provide a more complete and detailed picture of family income and expenses.

- **In Year 3 of the follow-up period, FTP substantially reduced both the number of people receiving AFDC/TANF and the amount of public assistance sample members received.**

As shown in Table 1, FTP substantially reduced AFDC/TANF payments in Year 3 of the follow-up period. On average, FTP group members received $565 in AFDC/TANF during the year, which is $301 (35 percent) less than the average amount received by AFDC group mem-

Table 1

Florida's Family Transition Program

Summary of Three-Year Impacts

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed, years 1-3 (%)	81.6	77.7	3.9 ***	5.0
Last quarter of year 1	45.2	40.8	4.3 **	10.6
Last quarter of year 2	52.8	44.5	8.3 ***	18.7
Last quarter of year 3	49.7	44.2	5.5 ***	12.5
Average total earnings, years 1-3 ($)	11,442	9,679	1,763 ***	18.2
Year 1	2,759	2,518	241 *	9.6
Year 2	3,942	3,281	661 ***	20.1
Year 3	4,741	3,880	862 ***	22.2
Ever received any AFDC/TANF payments, years 1-3 (%)	84.1	83.5	0.5	0.6
Last quarter of year 1	56.6	54.4	2.2	4.1
Last quarter of year 2	36.3	38.5	-2.2	-5.7
Last quarter of year 3	18.6	27.9	-9.3 ***	-33.3
Average total AFDC/TANF payments received, years 1-3 ($)	3,703	4,147	-444 ***	-10.7
Year 1	1,981	1,990	-9	-0.5
Year 2	1,157	1,291	-134 ***	-10.4
Year 3	565	866	-301 ***	-34.8
Average number of months receiving AFDC/TANF payments, years 1-3	16.5	17.4	-0.9	-5.0
Ever received any Food Stamp payments, years 1-3 (%)	90.5	90.1	0.3	0.4
Last quarter of year 1	68.6	68.3	0.2	0.3
Last quarter of year 2	55.2	56.4	-1.3	-2.2
Last quarter of year 3	42.6	45.4	-2.8	-6.2
Average total value of Food Stamp payments received, years 1-3 ($)	4,938	5,389	-451 ***	-8.4
Year 1	2,129	2,292	-163 ***	-7.1
Year 2	1,621	1,796	-176 ***	-9.8
Year 3	1,188	1,301	-112 **	-8.6
Average total income from earnings, AFDC/TANF, and Food Stamps, years 1-3 ($)	20,083	19,215	868 *	4.5
Year 1	6,869	6,801	69	1.0
Year 2	6,719	6,368	351 *	5.5
Year 3	6,495	6,046	449 **	7.4
Sample size	1,405	1,410		

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

bers. The asterisks in Table 1 indicate that this difference is statistically significant.[7] (The figures for each group are overall averages that include people who did not receive AFDC/TANF during the year.) At the end of Year 3, about 19 percent of FTP group members were receiving AFDC/TANF compared to 28 percent of AFDC group members — a one-third reduction in the rate of welfare receipt. This reduction is particularly striking because the rate of AFDC/TANF receipt among AFDC group members was low compared with results found at a similar point in other studies.

The large decrease in AFDC/TANF receipt and payments in Year 3 contrasts with the results for Years 1 and 2, when FTP did not reduce the number of people receiving AFDC/TANF (see the top panel of Figure 2). In part, this earlier result occurred because FTP's earned income disregard allowed FTP group members to earn more without losing eligibility for benefits. The program modestly reduced average AFDC/TANF payment amounts (but not the number receiving benefits) in Year 2, probably because FTP group members were more likely to be working, and thus receiving only partial welfare grants, and because they were more likely to be sanctioned for failing to comply with program rules. The emergence of large declines in AFDC/TANF receipt and payments in Year 3 appears to have been driven in large part by the fact that FTP group members began to reach the time limit around the end of Year 2. About 7 percent of the FTP group reached the time limit before the last quarter of Year 3.

The early results show that rates of welfare "recidivism" were fairly high for both groups: Among those who left welfare in Year 1 of the follow-up period, about 40 percent in each group returned to the rolls, at least temporarily, at some point during Year 2 or Year 3.

Finally, FTP has reduced Food Stamp payments throughout the follow-up period, although it has not affected the number receiving Food Stamps. Both cash assistance and earnings are counted as income in determining Food Stamp benefit amounts.

- **FTP has increased employment and earnings throughout the follow-up period. The earnings gains grew larger over time.**

Table 1 shows that FTP group members earned an average of $4,741 in Year 3 compared to $3,880 for the AFDC group. (Again, both figures are overall averages for the entire groups, including people who did not work or worked only part time or part year.) The difference of $862 represents a 22 percent increase in average earnings. Table 1 and the bottom panel of Figure 2 show that the program's earnings impacts grew larger over time.

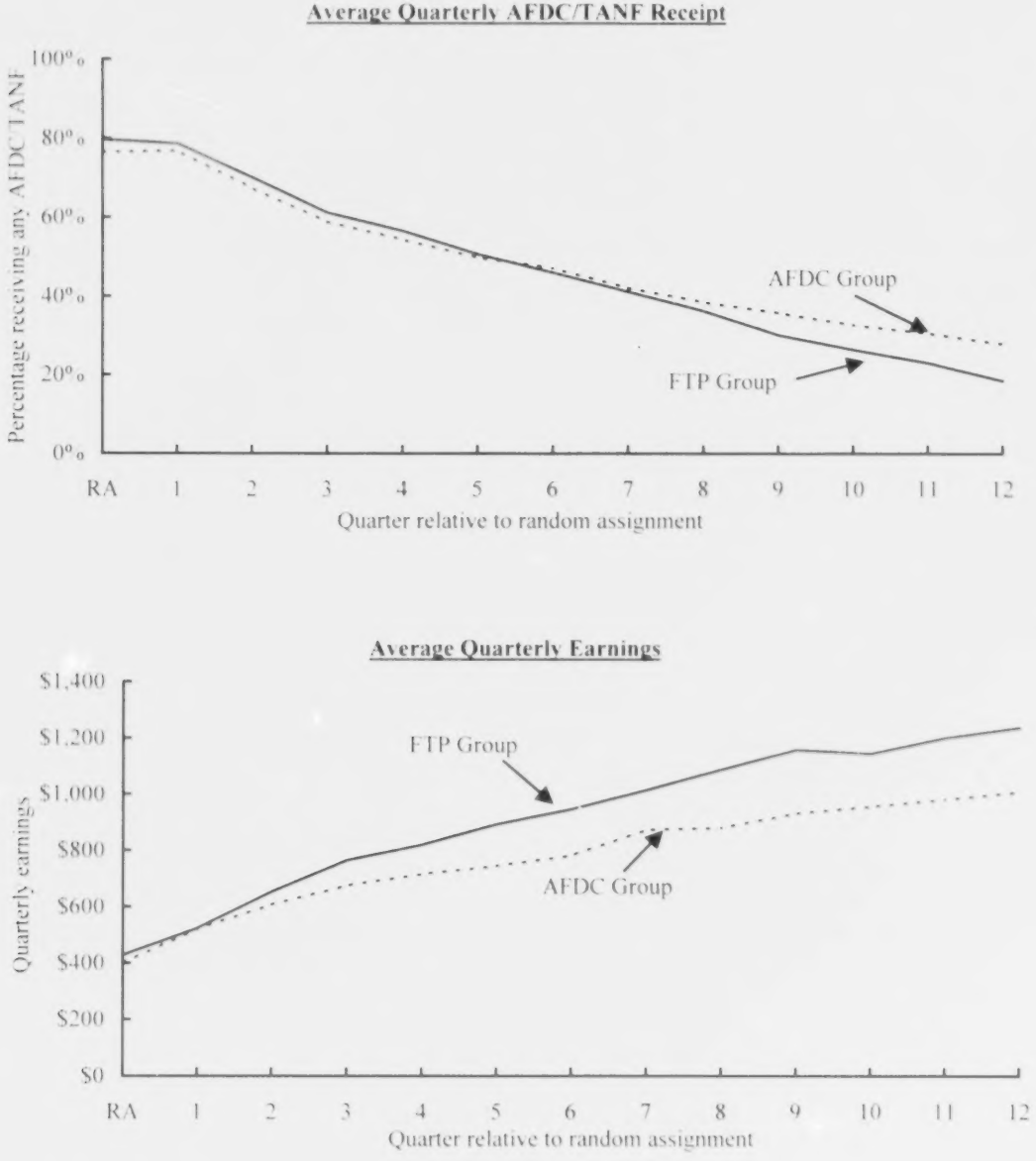
The increase in average earnings in Year 3 was driven by two factors. First, as shown in Table 1, FTP group members were more likely to be working (and thus less likely to have no earnings). Just under 50 percent of FTP group members worked in a UI-covered job in the last quarter of Year 3 compared to 44 percent of AFDC group members. Second, employed FTP group members earned more, on average, than did employed AFDC group members. For example, in the last quarter of Year 3, employed FTP group members earned $2,491, on average,

[7] If an impact estimate is statistically significant, one may conclude with some confidence that the program really had an effect. If an impact estimate is not statistically significant, the non-zero estimate is more likely to be the product of chance.

Figure 2

Florida's Family Transition Program

Average Quarterly AFDC/TANF Receipt and Average Quarterly Earnings



NOTE: RA refers to the calendar quarter in which random assignment occurred.

compared to $2,283 for employed AFDC group members (not shown in a table). This indicates that employed FTP group members earned higher hourly wages, worked more hours per week, and/or worked more weeks in the quarter.

Although FTP has generated increases in employment and earnings relative to the AFDC group, it is important to note that about half of FTP group members were not employed at the end of Year 3. In addition, nearly 40 percent of the FTP group members who ever worked during the three-year follow-up period were no longer working at the end of Year 3 (numbers not shown in the table).

- **FTP participants gained more in earnings than they lost in public assistance. As a result, FTP both increased participants' average income and reduced their reliance on public assistance.**

When income from cash assistance, Food Stamps, and earnings are considered together, as in Figure 3, it becomes clear that FTP has both increased FTP group members' average income from these sources and decreased their reliance on public assistance. In Year 3, FTP group members had an average of $6,495 in combined income, which was $449 (7.4 percent) more than the comparable figure for the AFDC group. On average, FTP group members' derived 73 percent of their income from earnings in that year compared to 64 percent for the AFDC group.[8]

The income results also suggest that FTP group members may have received larger benefits from the federal Earned Income Tax Credit (EITC), a refundable credit worth up to $3,656 per year for a family with two children (in 1997). Because the size of a household's EITC is tied to its earnings, and because FTP group members had higher average earnings, they probably received larger tax refunds. The 48-month survey will provide information on how many families actually claim the EITC, so that it can be factored into later results. The survey will also examine other sources of household income, as well as work-related expenses (for example, for child care and transportation).

- **FTP produced different results for different subsets of the welfare population.**

Figure 4 shows results for four subgroups of the report sample defined by sample members' educational attainment and recent work history at the point they entered the program; these characteristics are presumed to affect an individual's job readiness. As shown in the upper-left panel, FTP generated substantial increases in earnings and total income for those who had both a high school diploma or GED and recent work experience at enrollment (about one-third of all participants). On average, FTP group members in this subgroup had $939 more in combined income from public assistance and earnings in Year 3 than their AFDC group counterparts. There were also significant income and earnings gains for those with a high school diploma or GED and no recent work history (shown in the lower-left panel).

[8]Although the bars in Figure 3 for both groups are getting smaller over time, it is not necessarily true that people's income is dropping. This trend reflects the fact that a growing percentage of people have no income from any source recorded in the administrative records. These people may be living or working outside Florida, working off the books, or living with a partner or relatives.

Figure 3

Florida's Family Transition Program

Composition of Income, by Year

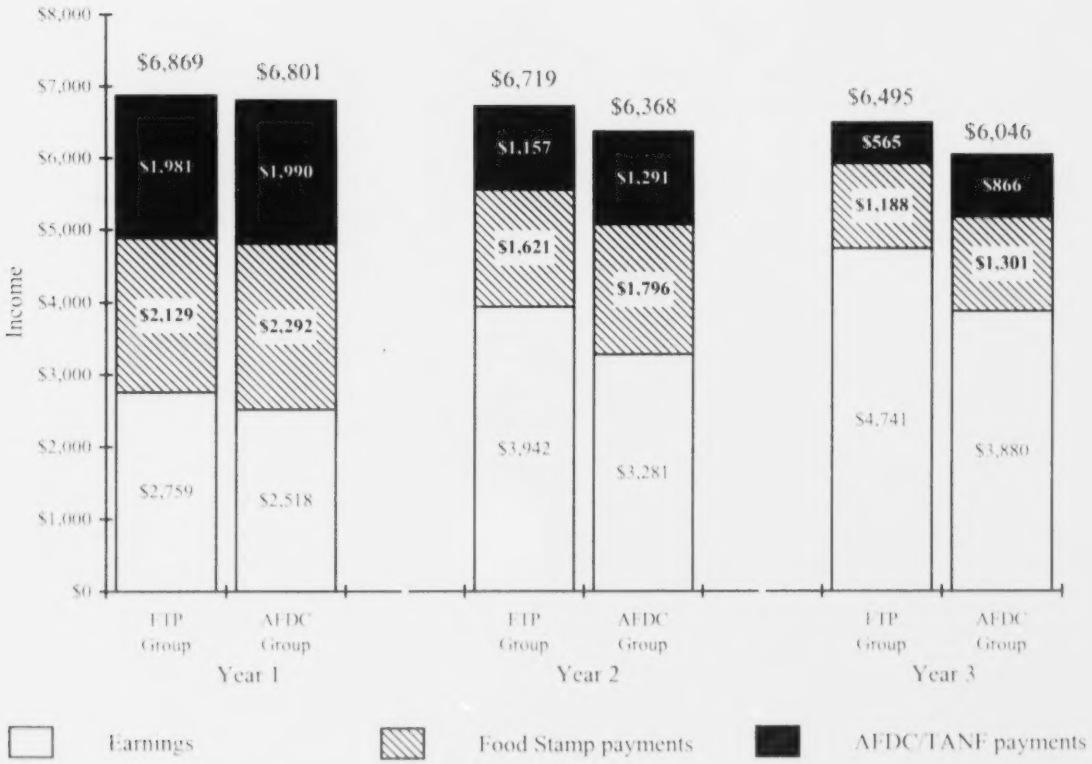
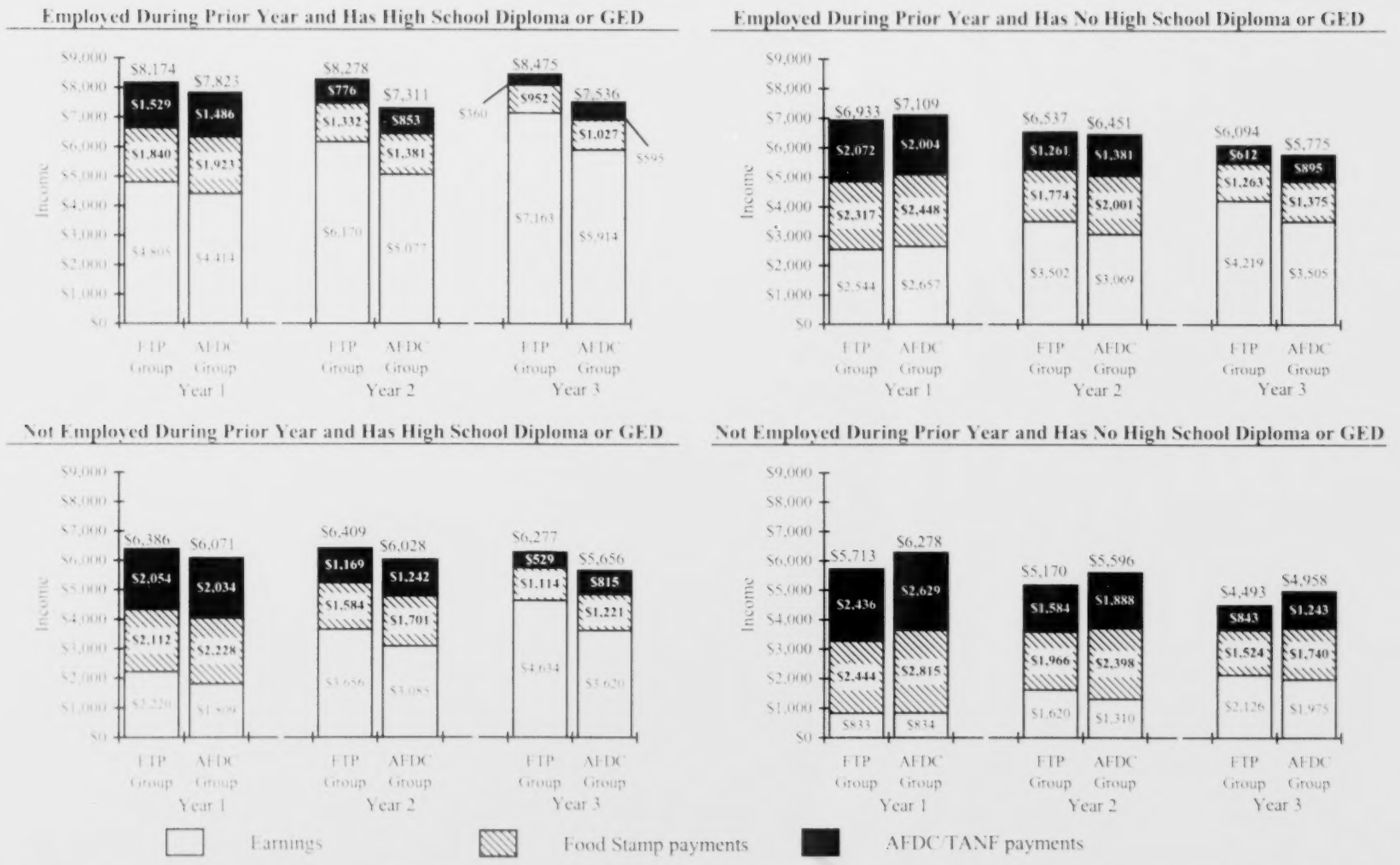


Figure 4

Florida's Family Transition Program

Composition of Income, by Year and Job-Readiness Subgroups



NOTE: The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

In contrast, FTP did not significantly increase earnings or income for those without a high school diploma (or GED). Those with no diploma *and* no recent work experience — nearly one-fourth of all participants — lost more in public assistance than they gained in earnings. In fact, for reasons that are not entirely clear, FTP group members in this subgroup had significantly less income than their AFDC group counterparts, even in Years 1 and 2 of the follow-up period, before people started reaching the time limit.

Although the results for the no diploma/no work experience subgroup are suggestive, two key issues remain unresolved. First, a large part of the income loss can be attributed to the fact that FTP group members in this subgroup were more likely than AFDC group members to have no income from any of the three sources covered by the administrative records. This raises the possibility that FTP group members in the subgroup may be more likely to be living outside Florida, or to be relying on income from others. The 48-month survey will provide a more complete picture of household income. Second, longer follow-up is needed to see what happens to the income situation in Year 4: About two-thirds of the FTP group members in this subgroup have a 36-month time limit, and many of them reached the time limit around the end of Year 3.

Figure 5 shows results for two subgroups defined by characteristics associated with the type of time limit sample members were most likely to be assigned. It illustrates income results for those with characteristics that would most likely lead to a 24-month time limit, and those with characteristics that that would most likely lead to a 36-month time limit. Because it was necessary to create the subgroups using a different source of data than the one used by staff to assign time limits to FTP group members (because such data are not available for the AFDC group), the subgroups do not coincide exactly with people's actual time limits.[9] This means the results are only an approximation of FTP's impacts for people assigned to each time limit.[10]

The Year 3 results for the 24-month group (shown in the top panel of Figure 5) are particularly important because they refer to a period after some members of that group had reached the time limit. As Figure 5 shows, FTP increased average earnings for the 24-month group as a whole enough to offset a substantial reduction in AFDC/TANF and Food Stamp benefits, but not

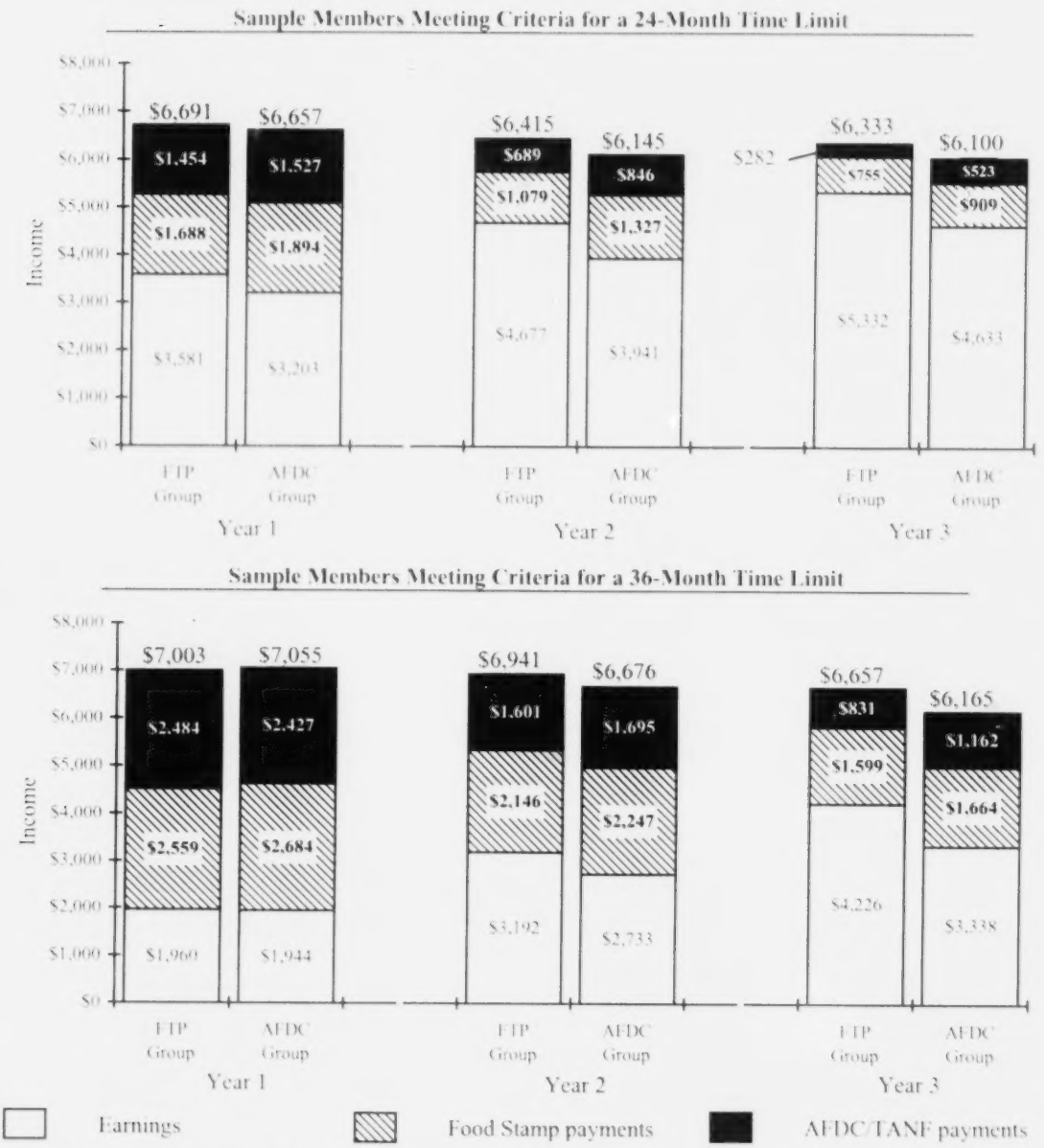
[9]Specifically, the data used to create the groups were drawn from the Background Information Form (BIF), which was completed for each sample member just before she or he was randomly assigned. The BIF includes data on all of the criteria that staff later used to assign time limits to FTP group members, but the BIF data are self-reported, and thus more subject to error. For example, the BIF included an item that asked whether the sample member had received AFDC for 36 of the previous 60 months. People who answered "no" were usually assigned to the 24-month subgroup by MDRC (if they did not meet any of the other criteria for a 36-month time limit). However, it appears that, when staff later researched these clients' AFDC histories, it was discovered that some of them had, in fact, received AFDC for 36 of the previous 60 months. These individuals were thus assigned a 36-month time limit by FTP. Overall, about 19 percent of the FTP group members in the 24-month time-limit subgroup were actually assigned a 36-month time limit. Similarly, 33 percent of the FTP group members in the 36-month time-limit subgroup actually had a 24-month time limit.

[10]MDRC has tested several possible formulas for creating these subgroups, and has found that the impact results are somewhat sensitive to the definition used. In fact, the definition used in this report is slightly different from the one used in prior FTP reports. Thus, the results reported here for Years 1 and 2 for these subgroups differ from those presented in prior reports.

Figure 5

Florida's Family Transition Program

Composition of Income, by Year and AFDC/TANF Time-Limit Subgroups



NOTES: Sample members were likely to be assigned a 36-month time limit for the purpose of this analysis if they received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were likely to be assigned a 24-month time limit.

enough to increase average combined income from earnings and welfare. In essence, FTP reduced reliance on public assistance for this group, but it did not affect combined income much. It will be important to see whether the results for the full report sample begin to follow this pattern in Year 4, when a greater number of FTP group members will have reached the time limit.

It is important to note that each of the time-limit subgroups includes people in all four of the job-readiness subgroups discussed earlier. This is because the criteria used by MDRC to define the job-readiness subgroups (educational attainment and recent work experience) are not the same as the criteria that were used by FTP to assign the time limits.[11] For example, among those in the 24-month time-limit subgroup, 41 percent had both a high school diploma and recent work experience at enrollment, 31 percent had a diploma but no work experience, 12 percent had no diploma but did have work experience, and 17 percent had neither a diploma nor recent work experience. Thus, one would not necessarily expect the results for the 24-month subgroup to coincide with the results for any of the job-readiness groups.

IX. Early Findings from Post-Time-Limit Follow-Up Studies

The results presented in the previous section show that, on average, the FTP group had higher income than the AFDC group in Year 3. However, a great deal of attention has focused on one subset of the FTP group: The families who reached the time limit and had their benefits canceled. As noted earlier, these families represent a small fraction of the FTP group because most participants left welfare before reaching the time limit.

MDRC examined in two ways the post-time-limit status of families who reached the limit. First, administrative records were used to assess sample members' income from AFDC/TANF, Food Stamps, and UI-covered earnings in the quarter preceding benefit termination, the quarter of termination, and the quarter following termination.

Second, MDRC is conducting follow-up interviews with a small but representative group of FTP participants who reached the time limit. Sample members for this study are interviewed around the time their benefits expire (the "end-of-time-limit interview") and then six, 12, and 18 months later. At this point, results are available from end-of-time-limit interviews and six-month follow-up interviews. Both of these studies examine changes in participants' income *over time*, rather than comparing their income with comparable members of the AFDC group; thus, it is not possible to attribute any changes in income or well-being to the fact that their welfare grants were canceled.

Although it is far too early to draw any final conclusions, several findings are emerging from these two substudies.

[11] For example, according to FTP rules, a participant with no diploma and no recent work history would have been assigned a 24-month time limit if she was at least 24 years old and had not received AFDC for 36 of the 60 months prior to enrollment.

- **On average, individuals who reached the time limit had less income several months after benefit termination than they did during their last months on welfare.**

For example, the administrative data show that sample members who reached the time limit had, on average, $2,098 in combined income from AFDC/TANF, Food Stamps, and earnings in the quarter prior to termination and $1,672 in the quarter following termination. Sample members had higher average earnings in the quarter following termination, but this increase was more than offset by the loss of public assistance income. It is particularly notable that a number of people stopped receiving Food Stamps after the time limit even though they were not employed. These people may have incorrectly believed that the time limit applied to their Food Stamp benefits, and may have failed to take the steps necessary to keep their Food Stamp case open. They also may have left the state or moved in with family.

The overall income figures mask the fact that some families gained income after the time limit while a greater number lost income. Many of those who lost income were employed when they reached the time limit; FTP's earned income disregard had allowed them to continue receiving benefits. At the time limit, they lost their supplemental welfare check. It is worth noting that, despite the income decline, many families appeared to have more income after the time limit than a nonworking family would receive from AFDC/TANF and Food Stamps — although their expenses for child care, transportation, and other items may also have been higher.

Despite the overall income loss, the available data show little evidence that families were more likely to experience severe material hardship after the time limit than they had experienced before. This does not mean families were not experiencing hardship — Florida's relatively low cash assistance grants leave people far below the poverty line — but it does not appear that serious problems such as homelessness or hunger were more prevalent after the time limit. However, longer follow-up is needed to understand whether respondents' short-term coping strategies can be maintained over time.

It may seem contradictory that participants experienced a drop in income after the time limit, while the FTP group as whole had higher income than the AFDC group in Year 3. This pattern occurred in part because the sample members who reached the time limit accounted for a very small proportion of the full FTP group and because FTP's earned income disregard had allowed some of them to supplement their income before reaching the time limit. It also suggests that the income losses for these individuals were more than offset by income gains for those who did not reach the time limit.

- **There was not much change in people's employment status in the immediate post-time-limit period, but employment status, per se, is not necessarily an accurate measure of well-being.**

Of the 57 people in the post-time-limit study who completed both an end-of-time-limit and a six-month follow-up interview, 24 were employed in the final month on welfare, and 28 were employed six months later. Among the 30 respondents with a 36-month time limit, 10 were working in their last benefit month, and the same number were employed six months after termination. However, a respondent's employment status per se is not necessarily a clear indicator of

her financial well-being. Some respondents who were not working were living with a partner or parent who was at least partly supporting them. In contrast, some who were employed were earning low wages and struggling to make ends meet. A key factor affecting respondents' well-being was their housing expenses; those who lived in public or subsidized housing paid little or no rent when their income was very low.

X. How Widely Applicable Are These Results?

In drawing conclusions from these results, it is important to consider the extent to which FTP is likely to reflect the experiences of similar programs elsewhere.

Owing to a variety of factors that were discussed earlier, these results probably represent a conservative estimate of FTP's potential impacts. First, the analysis focuses on people who entered FTP during its start-up period, when some of the program's services were not yet in place and when its time-limit message was likely weakest (because participants may have been uncertain about whether the time limit would really be enforced). Second, some members of the AFDC group believed they were subject to a time limit, diminishing the "treatment difference" between the groups. Third, the study cannot assess whether FTP has reduced the number of people who decided to apply for welfare; this may be an important part of the program's overall impact. Fourth, perhaps driven by the strong labor market and a new overall "message" about welfare, AFDC group members have exited from welfare at an unusually rapid pace, leaving little room for FTP to generate reductions in welfare receipt rates.

At the same time, the results may represent an optimistic assessment of time-limit programs in general, because FTP has been implemented under favorable circumstances. FTP is a pilot program that has offered an unusually intensive and expensive set of services and supports and has operated in an area with a strong labor market, far from any large cities. Moreover, because clients who were initially exempt from FTP did not enter the research sample, the study may not include some of the least employable members of the county's welfare caseload. A time-limit program operating in a large city with a more disadvantaged caseload and fewer services might produce different results.

FTP's status as a pilot project, operating outside large cities, may have affected it in other ways as well. It is worth noting that the early experiences with the WAGES time limit in Dade County (Miami) have been quite different from the FTP experiences described in this report. As in FTP, very few WAGES participants reached the time limit quickly in Dade County. However, almost all of those who reached the limit were granted extensions.

XI. Broader Implications

Although the story of FTP's impacts and cost effectiveness is not yet complete, the results to date suggest several general lessons and conclusions. Many of these are contrary to the initial predictions about how time limits would play out in practice.

FTP's results suggest that welfare time limits, at least as implemented in FTP, do not spur many welfare recipients to leave assistance faster in order to "bank" their available months; nonetheless, few recipients have reached the time limit. The fact that FTP did not reduce the rate of welfare receipt until people started reaching the time limit suggests that few people left welfare more quickly in order to save their scarce months of assistance.

This point needs to be qualified because one would normally expect an earned income disregard such as the one implemented in FTP to *increase* welfare receipt, at least in the short term, because some people who would have gone to work anyway are allowed to continue receiving benefits. FTP did not cause such an overall increase, which suggests that some other feature of the program — perhaps the time limit — may have spurred some people to leave welfare faster, offsetting the disregard's tendency to keep others on the rolls longer. In addition, as discussed earlier, while the time limit was vigorously communicated to recipients, staff did not necessarily urge them to respond by leaving welfare quickly. A time limit that was "marketed" in a different way might have produced different results.

That said, it seems clear that FTP did not induce many people to bank their months. Initially, this would have seemed like an ominous result, because numerous projections showed that a large fraction of welfare recipients would reach time limits unless the limits themselves changed welfare dynamics. In fact, however, only a small proportion of FTP participants have reached their time limit. This is partly attributable to the design of FTP's time limit — those with more barriers to employment have a longer time limit — but it also reflects the fact that both FTP and AFDC group members are leaving welfare quite rapidly. Thus, while FTP has failed to *reduce* the number of people who reached the time limit, the number itself has been small. Longer follow-up is needed to determine how many people reach the limit after leaving welfare and returning.

The FTP experience highlights some of the challenges involved in administering time-limit safeguards that rely on subjective criteria such as "diligence" or "compliance." FTP has chosen not to create written definitions of these terms; a multi-step review process seeks to ensure that the policies will be applied consistently and equitably. It is not clear that this process would be feasible in a larger jurisdiction. And yet, without a careful process, ambiguous definitions might place tremendous discretion in the hands of line workers, making it difficult to administer the safeguards fairly and equitably.

So far, very few FTP participants who were deemed "compliant" have reached the time limit without jobs. Although the program has certainly achieved a high success rate, several caveats are needed. First, as noted earlier, the FTP group may not include some of the least employable recipients in Escambia County's welfare caseload. Second, it appears that some participants who staff believed were "compliant but not progressing" were ultimately deemed by the review process to be "noncompliant." Third, while it seems clear that most of the participants who were deemed noncompliant missed many scheduled activities, it is important to note that, relative to most welfare-to-work programs, FTP imposes an unusually demanding set of requirements and closely monitors participation. Fourth, interviews with staff suggest that some of the "noncompliant" clients had serious personal or family problems that did not qualify them for an exemption but that nonetheless may have made it difficult for them to comply with all pro-

gram requirements. FTP staff make diligent efforts to identify such problems but cannot always solve them. In some cases, there may be a fine line between unwillingness to comply and inability to comply.

The FTP experience focuses attention on special issues concerning people who reach time limits employed. A substantial fraction of those who reached FTP's time limit were "compliant" clients who were earning above the welfare payment standard; FTP's earned income disregard allowed them to continuing receiving welfare while working (and, thus, caused them to reach the time limit faster). These participants are seen as success stories, not in need of extensions or other safeguards. In fact, although FTP understandably focuses on participants' status at the point they reach the time limit, previous research suggests that at least some of these people will later lose their jobs.

FTP's results may help to shed light on the causes of the overall decline in welfare caseloads in the past few years. There is a lively debate about the extent to which the recent decline in welfare caseloads has been driven by welfare reform policies versus the strong economy or other external factors. The results in this report show that FTP generated little or no reduction in AFDC receipt rates during Years 1 and 2 of the study period, when Escambia County's overall welfare caseload was dropping dramatically. This suggests that, to a large extent, the caseload decline is not attributable to FTP.

However, two important caveats are needed. First, as noted earlier, part of the caseload decline was likely driven by a reduction in the welfare application rate, and FTP may have affected that rate in ways that the study cannot measure. Second, while it appears that most members of the AFDC group understood that they were not subject to FTP's policies, it seems likely that they may have been affected by "welfare reform" in a broader sense. For example, the intense discussion about FTP and other welfare reforms at the local, state, and national levels may have convinced some of these individuals that the future of welfare was more uncertain, which may have spurred them to find jobs and leave assistance. This broader impact is also not captured in the study.

Chapter 1

Introduction

The Family Transition Program (FTP) is a welfare reform pilot project that began operating in 1994 in Escambia County, Florida — a mid-sized county that includes the City of Pensacola.[1] FTP was one of the first welfare reform initiatives in the nation to impose a time limit on the receipt of cash assistance. It includes an array of services, mandates, and financial work incentives designed to help welfare recipients prepare for, find, and hold jobs. FTP was implemented more than two years before the passage of the 1996 federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA, P.L. 104-193), and it anticipated several elements of the new federal law. FTP also served as a model for Florida's statewide welfare reform, known as Work and Gain Economic Self-Sufficiency (WAGES), which was implemented in late 1996. Thus, FTP provides important lessons on the implementation and potential effects of more recent welfare reform initiatives in Florida and elsewhere in the U.S.

In 1994, the Florida Department of Children and Families (formerly the Department of Health and Rehabilitative Services) — the agency that administers FTP — contracted with the Manpower Demonstration Research Corporation (MDRC) to conduct a multifaceted six-year evaluation of the program's effectiveness. MDRC is a nonprofit organization with more than two decades of experience designing and evaluating social policy initiatives.

This is the fourth report in the FTP evaluation. The first, completed in 1995, described FTP's early implementation.[2] The second and third reports, released in 1997 and 1998, updated the implementation story; provided the first evidence on how FTP was affecting patterns of employment, earnings, and welfare receipt; and described the process that occurred when the first participants reached FTP's time limit on welfare benefits.[3] The third report also included the first information on families' experiences after reaching the time limit. This report will continue to develop the story set forth in the previous reports. It includes a number of new, in-depth analyses and covers a longer follow-up period (3 years), providing the most complete representation of the effect of FTP to date.

I. FTP's Policy Significance

The Personal Responsibility and Work Opportunity Reconciliation Act, signed by President Clinton in August 1996, made major changes in the structure and funding of programs targeted to low-income families and individuals. There were particularly dramatic changes in Aid to Families with Dependent Children (AFDC), formerly the primary cash assistance program for needy families with children, which was replaced by the Temporary Assistance for Needy Fami-

[1] A second pilot county, Alachua, operated a voluntary version of FTP. That pilot has been discontinued.

[2] Bloom, 1995.

[3] Bloom, Farrell, Kemple, and Verma, 1998; Bloom, Kemple, and Rogers-Dillon, 1997.

lies (TANF) block grant. TANF gives states broad new flexibility to design welfare programs, but it also restricts states from using federal block grant funds for several groups, including most families who receive assistance for more than 60 cumulative months.[4]

Although the new welfare act has fundamentally changed the structure and funding of cash assistance for needy families, many of the specific policies that the law encourages states to adopt were already being implemented under waivers of federal AFDC rules that had been granted to 43 states prior to the bill's passage. For example, more than 30 states had received waivers to implement some form of time limit on welfare receipt in at least part of the state.[5]

Florida's Family Transition Program is one of the most significant initiatives implemented under waivers because it was one of the first to include a time limit on welfare benefits. In fact, Escambia County was the first place in the United States where single-parent welfare recipients reached a time limit and had their benefits canceled. (The first recipients reached the limit in early 1996.)

Because time limits are still a relatively new policy, information about how they have been implemented or how they have affected welfare recipients, their families, or government budgets is only beginning to be known. Proponents contend that time limits will motivate recipients and the welfare system to focus on self-sufficiency and that curtailing long-term welfare receipt will help alleviate a range of social problems. Critics argue that many welfare recipients have limited skills and other disadvantages that will make it difficult for them to support their families over the long term without assistance. Thus, they argue, imposing time limits will eventually harm many vulnerable families with children. The FTP evaluation — which uses a rigorous research design and a diverse set of data sources — is providing important early information about the implementation and impacts of this key change in welfare policy.

At the same time, it is important to note that FTP's time limit has been implemented under somewhat favorable conditions. Although Escambia County has a diverse welfare population and includes a mid-sized city, the county is far from any major metropolitan areas, and the local unemployment rate has been at or below the state and national averages during FTP's implementation period. Nationally, a large proportion of long-term welfare recipients reside in large cities, in neighborhoods where employment opportunities may be scarce.

In addition, the State of Florida has committed substantial resources to FTP, allowing the program to offer a rich array of services and supports to its participants. Even during its start-up period, when many of FTP's enhanced features were not fully in place, the program's staffing and service levels were unusually generous. Indeed, budget constraints have made it impossible to replicate many of FTP's enriched features in the statewide WAGES program.

[4]States are permitted to exempt up to 20 percent of the caseload from this provision.

[5]U.S. Department of Health and Human Services, 1997.

II. The Family Transition Program and Its Evaluation

The Family Transition Program was created by the Family Transition Act, passed by the Florida legislature in April 1993. The program began operating in February 1994 under waivers of federal welfare rules. (These waivers are no longer needed because FTP's provisions are permitted under the 1996 federal welfare law.)

A. The Key Elements of FTP

Although FTP's time limit is its best-known feature, the program is in fact a multifaceted reform; the time limit is embedded in a broad set of services, requirements, and financial incentives designed to help recipients find jobs and become self-sufficient. The major components of FTP include:

- **Time limit.** Under FTP, most recipients are limited to 24 months of cash assistance receipt in any 60-month period.[6] Certain groups of particularly disadvantaged recipients are limited to 36 months of receipt in any 72-month period. (The clock starts when a recipient enrolls in FTP; months of receipt of assistance prior to that point do not count.) Cash benefits are terminated at the time limit.[7] However, the policy stipulates that recipients who cooperate with FTP but, despite diligent efforts, are unable to find a job by the time they reach the time limit should be given a public or private work opportunity that allows them to earn at least as much as the standard welfare grant for their family size (plus an allowance for work expenses).[8] In addition, recipients are potentially able to receive up to two 4-month extensions of the time limit under certain circumstances. Finally, if it is determined that canceling a family's entire cash grant would put the children at substantial risk of being placed in emergency shelter care or foster care, the children's portion of the grant is retained and diverted to a "protective payee" who administers the grant on behalf of the children.

- **Financial work incentives.** Under the traditional AFDC program,[9] recipients who found jobs had their grants reduced by $1 for each dollar they earned af-

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[6]The term "cash assistance" in this report refers to the benefits previously provided under AFDC and currently provided under TANF. The term does not refer to other public assistance programs, such as Supplemental Security Income (SSI), that also provide cash benefits.

[7]Eligibility for noncash benefits (for example, Food Stamps) is not affected by the time limit.

[8]This feature was initially required as a condition of Florida's federal waivers and has been continued even though waivers are no longer necessary to operate FTP. The standard grant for a family of three is $303 per month, and the standard work expense allowance is $90. Thus, a "compliant" participant with this family size would be ensured of an opportunity to earn at least $393 per month (slightly less than 18 hours a week of work at the current minimum wage).

[9]This report uses the term "traditional AFDC" to describe the rules that were in place in Escambia County prior to the implementation of FTP. These rules also applied in the rest of the state (except for the other FTP pilot counties) until the implementation of Florida's welfare reform, WAGES, in October 1996, and still apply to the AFDC group for the FTP evaluation (discussed below).

ter the first four months of work (after some allowances for work expenses).[10] Many believed that these rules created a disincentive to work and made it difficult for recipients to make a successful transition into the work force. Under FTP, the first $200 plus one-half of any remaining earnings is disregarded (that is, not counted) in calculating a family's monthly grant. Known as an earned income disregard, this rule allows a greater proportion of working families to retain at least a partial welfare grant to supplement their earnings; the disregard applies for as long as the family receives cash assistance. Figure 1.1 and Table 1.1 give examples of how FTP's earned income disregard affects working recipients. In addition to the enhanced earnings disregard, FTP allows families to accumulate more assets and to own more valuable automobiles (relative to traditional AFDC rules) without losing eligibility for assistance.[11] Finally, FTP participants receive subsidized transitional child care for two years after they leave welfare for work, as opposed to the one year provided under prior rules.[12]

- **Enhanced services and requirements.** FTP participants can receive a variety of services designed to help them prepare for and find employment. Most notably, participants receive intensive case management provided by workers with small caseloads. Each caseworker is assigned only 30-40 cases on average, allowing more personalized contact and increased follow-up for each client. Clients also receive enhanced employment and training services (most FTP clients are required to participate in such activities for a minimum of 30 hours per week), including job-readiness workshops, skill development classes, and transitional job development services. Finally, clients are eligible for a wealth of supplemental services, including social and health services, child care, transportation, and other support services. Many of FTP's services are co-located in the FTP program offices (known as service centers) to make them more accessible to participants.

- **Parental responsibility mandates.** Under FTP rules, parents with schoolage children are required to ensure that their children are attending school regularly and to speak with their children's teachers at least once each grading period. New applicants for welfare with preschool children are required to

[10]Specifically, during the first four months of employment, the first $120 plus one-third of any remaining earnings was disregarded (that is, not counted) in calculating the AFDC grant amount. In the fifth through the twelfth months, only the first $120 was disregarded. After month 12, only the first $90 was disregarded. In addition, child care expenses (up to a specific limit) could be disregarded. PRWORA eliminated these federal rules for counting earnings; thus, states no longer need waivers to expand (or reduce) earned income disregards.

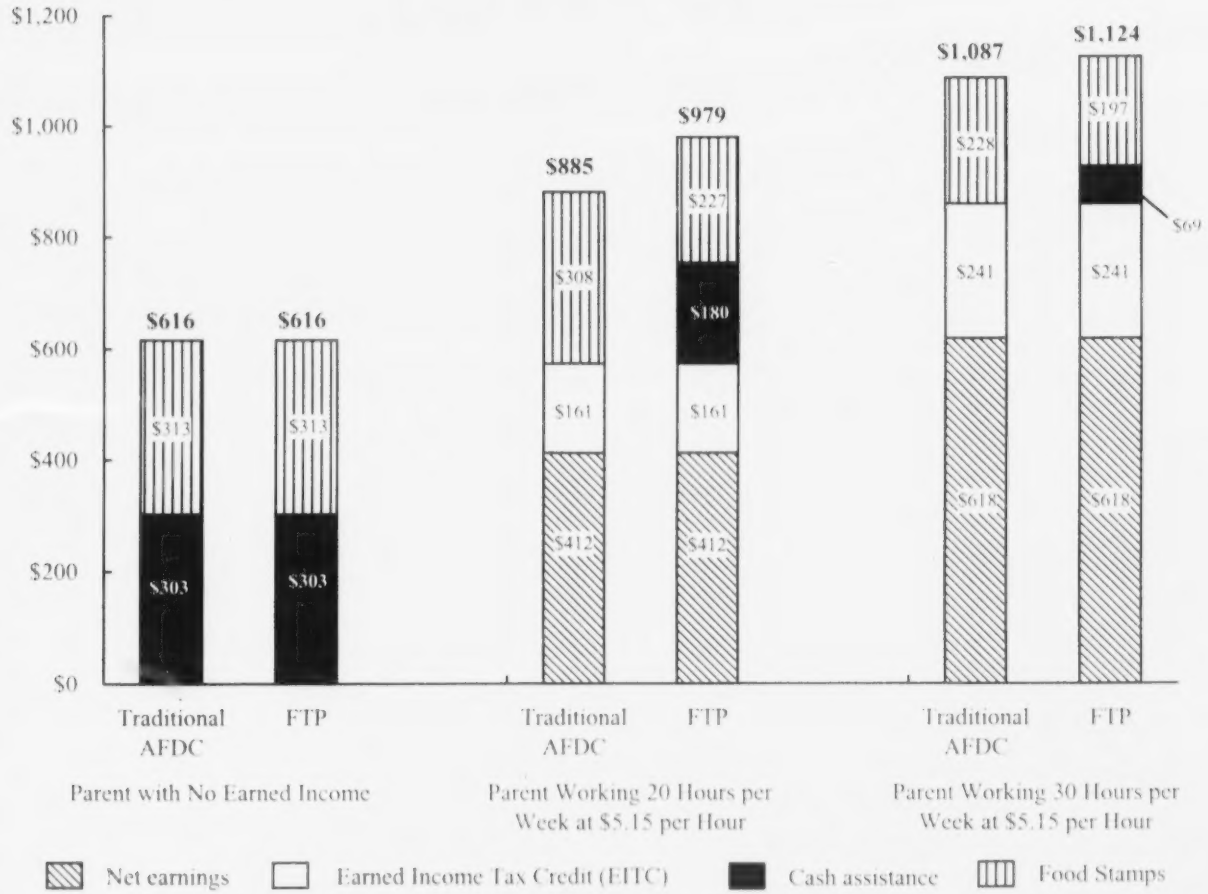
[11]Under traditional AFDC, recipients were limited to $1,000 in assets, and there was a $1,500 exemption for a vehicle. Under FTP, the asset limit is $5,000, and the vehicle exclusion limit is $8,150.

[12]Under the Family Support Act of 1988, states were required to provide transitional child care assistance and transitional Medicaid coverage for one year after recipients left welfare for work. FTP extended transitional child care for a second year. PRWORA ended the transitional child care requirement, although states may choose to continue this policy.

Figure 1.1

Florida's Family Transition Program

Monthly Family Income at Selected Levels of Employment for a Single Parent with Two Children Under FTP and Traditional AFDC Rules



SOURCES: U.S. House of Representatives, Committee on Ways and Means, *The 1996 Green Book: Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. Government Printing Office, 1996), p. 446; Family Transition Program policy manual.

NOTES: The calculations use rules that were in effect in 1995. Monthly net earnings are based on the parent's income from employment minus any applicable payroll taxes (federal Medicaid and Social Security deductions). Florida does not have a state income tax.

The Earned Income Tax Credit (EITC) amount reflects 1/12 of the total annual credit, although most families receive the credit in an annual lump sum.

The AFDC grant calculation disregards $120 of gross earnings, in accordance with AFDC rules for the fifth to twelfth month of employment. The FTP grant calculation disregards $200 of gross earnings and half of the remainder. Both calculations assume no unreimbursed child care costs or child support collections.

The Food Stamp calculation disregards 70 percent of net income. Net income includes the AFDC grant but excludes 20 percent of gross earnings, a $134 standard deduction, and up to $231 of excess shelter expenses. This calculation assumes a monthly rental expense of $319.

Table 1.1

Florida's Family Transition Program

Examples of Monthly AFDC/TANF Grant Amounts at Selected Levels of Earnings for a Single Parent with Two Children

Income Component ($)	Not Employed	Employed at $5.15/Hour					Employed at $6/Hour				
		10 Hours/ Week	20 Hours/ Week	30 Hours/ Week	35 Hours/ Week	40 Hours/ Week	10 Hours/ Week	20 Hours/ Week	30 Hours/ Week	35 Hours/ Week	40 Hours/ Week
Grant under FTP policy											
Earnings	0	223	446	669	780	892	260	520	779	909	1,039
Maximum grant level	303	303	303	303	303	303	303	303	303	303	303
Countable earnings	0	12	123	235	290	346	30	160	290	355	420
Grant amount	**303**	**292**	**180**	**69**	**13**	**0**	**273**	**143**	**14**	**0**	**0**
Grant under AFDC policy (months 1-4 of employment)											
Earnings	0	223	446	669	780	892	260	520	779	909	1,039
Maximum grant level	303	303	303	303	303	303	303	303	303	303	303
Countable earnings	0	69	217	366	440	515	93	267	439	526	613
Grant amount	**303**	**234**	**86**	**0**	**0**	**0**	**210**	**36**	**0**	**0**	**0**
Grant under AFDC policy (months 5-12 of employment)											
Earnings	0	223	446	669	780	892	260	520	779	909	1,039
Maximum grant level	303	303	303	303	303	303	303	303	303	303	303
Countable earnings	0	103	326	549	660	772	140	400	659	789	919
Grant amount	**303**	**200**	**0**	**0**	**0**	**0**	**163**	**0**	**0**	**0**	**0**

SOURCES: U.S. House of Representatives, Committee on Ways and Means, *The 1996 Green Book: Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. Government Printing Office, 1996), p. 446; Family Transition Program policy manual.

provide proof that their children have begun to receive the standard series of immunizations. Parents who fail to meet these requirements — as well as those who do not comply with the employment and training participation mandates described above — face sanctions (that is, their grants are canceled or reduced).[11]

FTP's enhanced services and incentives involve a substantial upfront investment. The program's designers hoped that this initial investment would be recouped when recipients moved off welfare and into jobs.

B. The FTP Evaluation

The FTP evaluation began in early 1994 and is scheduled to end in 2000. The evaluation was initially required as a condition of the federal waivers that allowed Florida to implement FTP. (The state has elected to continue the evaluation even though it is no longer required to do so under the 1996 federal welfare law.) The study is funded by the U.S. Department of Health and Human Services (DHHS), the State of Florida, and the Ford Foundation.

1. Components of the study. The FTP evaluation includes three major components:

- **Implementation analysis.** This part of the study examines how FTP operates. Data on a program's implementation can be critical to interpreting its impacts and to identifying practices that are associated with success.
- **Impact analysis.** This part of the study assesses whether FTP generates changes in participants' employment, earnings, welfare receipt, family income, and other outcomes, relative to the AFDC system it replaced.
- **Benefit-cost analysis.** This analysis uses data from the impact analysis and from fiscal records to compare the financial benefits and costs of FTP for both taxpayers and individuals subject to the program.

This report focuses on the first two components of the study; results from the benefit-cost analysis will be included in the final report, scheduled for 2000. The specific data sources used in preparing this report are described later in this chapter.

2. Research design for the impact analysis. Welfare recipients frequently find jobs and leave the welfare rolls with or without the assistance of special programs or policies. Thus, in assessing the effectiveness of a program such as FTP, it is critical to separate outcomes that are attributable to the new program from those that would have occurred anyway. The FTP evaluation uses a random assignment research design to address this task. For purposes of the study, welfare applicants and recipients who met the criteria for FTP (discussed below) were assigned, at random, to one of two groups:

[11]Beginning in June 1997, FTP adopted new sanctioning rules that involve eliminating — rather than reducing — the welfare grant in response to noncompliance. The effect of these rules will be discussed in later sections of this report.

- The **FTP group**, whose members are eligible for FTP's services and subject to its mandates, including the time limit; or

- The **AFDC group**, whose members are subject to the welfare rules that existed before FTP was implemented — which include, for many recipients, a requirement to participate in employment and training activities.[14]

The members of these two groups will be tracked during a *follow-up period* lasting several years and will be compared on a number of measures, including their employment and welfare receipt patterns, family income, and others. Because the two groups were created through a random process, there were no systematic differences between the groups' members when they entered the study. In addition, both groups are experiencing the same general economic and social conditions during the study period. Thus, any differences — or *impacts* — that emerge during the follow-up period can be reliably attributed to FTP. Although this methodology has some limitations — for example, it cannot assess whether FTP is affecting the number of people who apply for welfare in the first place — random assignment is generally seen as the most reliable way to determine what difference, if any, a program makes.[15]

Although the WAGES program has replaced AFDC statewide in Florida, both FTP and traditional AFDC are continuing to operate in Escambia County until the end of the evaluation's follow-up period. This situation has presented Escambia County staff with the challenging task of operating three different welfare programs simultaneously. (Since October 1996, new applicants for welfare who had not already been assigned to the FTP group or the AFDC group have been placed into WAGES.) As discussed further in Chapter 2, the implementation of WAGES has also made it more difficult for staff to ensure that members of the AFDC group understand the rules that apply only to them, and to ensure that the WAGES message is not affecting the AFDC group's choices about employment and welfare receipt.

3. The random assignment process. The process of assigning people to the FTP and AFDC groups began in May 1994 and ended in October 1996. Beginning in May 1994, all applicants for cash assistance who met FTP's eligibility criteria were randomly assigned either to FTP or to the traditional AFDC program at the time they applied. People who were already receiving assistance when FTP began were phased in over time; they were randomly assigned when they appeared for semiannual recertification interviews.[16]

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[14]In early reports in this study, the FTP group was referred to as the "program group," and the AFDC group was called the "control group."

[15]The study can only assess differences that emerge after people are randomly assigned to the FTP and AFDC groups. Because the random assignment occurs when people apply for welfare, there is no way to determine whether the program has affected the number of people who take this step. However, because random assignment occurs early in the application process, it can determine whether FTP is affecting the number of applicants who complete their application and begin receiving benefits.

[16]In order to control the flow of people into FTP, only a portion of those showing up for recertification went through the random assignment process initially; the rest remained subject to traditional AFDC rules. Specifically, from May to August 1994, 30 percent of those appearing for recertification were randomly assigned. Beginning in August, one-half of those showing up for recertification were randomly assigned, and, beginning in December, all recipients went through the process. The pace of random assignment was then slowed from March to November 1995.

Figure 1.2 illustrates the random assignment process. Whether it occurred at application or recertification, the process began with screening: Staff went through a checklist to determine whether the applicant or recipient met any of the criteria for an exemption from FTP. The following groups were exempted upfront from the random assignment process:

- Incapacitated or disabled adults;
- Individuals under 18 years old who were attending school or working 30 hours or more per week;
- Adults caring full time for disabled dependents;
- Parents caring for children six months old or younger;[17]
- Recipients 62 years old or older; and
- Caretaker relatives whose needs are not included in the grant.

If there was no exemption, staff gave a brief description of FTP and the evaluation and, through a brief interview with the applicant or recipient, completed a one-page sheet called the Background Information Form (BIF). The BIF included identifying information (name, Social Security number, etc.), demographic information (age, ethnic group, gender, number and ages of children, etc.), and data on the individual's work and welfare history. After the BIF was completed, staff asked the individual to fill out a brief, confidential questionnaire called the Private Opinion Survey (POS), which solicited information about her[18] attitudes toward work, welfare, education and training, and other issues.[19] Data from the BIF and POS are presented later in this chapter and in Appendix A.

Once these forms were complete, FTP staff members placed a phone call to MDRC and read a few items from the BIF to an MDRC clerk. Using this information, individuals were randomly assigned to either the FTP or the AFDC group by a computer program on site at MDRC. Those individuals assigned to the AFDC group continued their application or recertification with staff from the traditional AFDC program; FTP group members were enrolled into FTP.

A few aspects of this process are worth noting. Most significantly, because of the up-front screening process discussed above, a segment of Escambia's welfare caseload was not included in the FTP study.[20] These individuals, diverted from the FTP program (although not diverted from receiving welfare), were not tracked or followed by this study; thus, the results presented here may not provide information on the impact of FTP for a hard-to-employ segment of the population.

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[17]This exemption applies only to children conceived before the mother entered FTP. A recipient screened out initially for this reason, however, would likely be randomly assigned at a later recertification appointment.

[18]Feminine singular pronouns are used in this report because a large majority of participants in FTP are women.

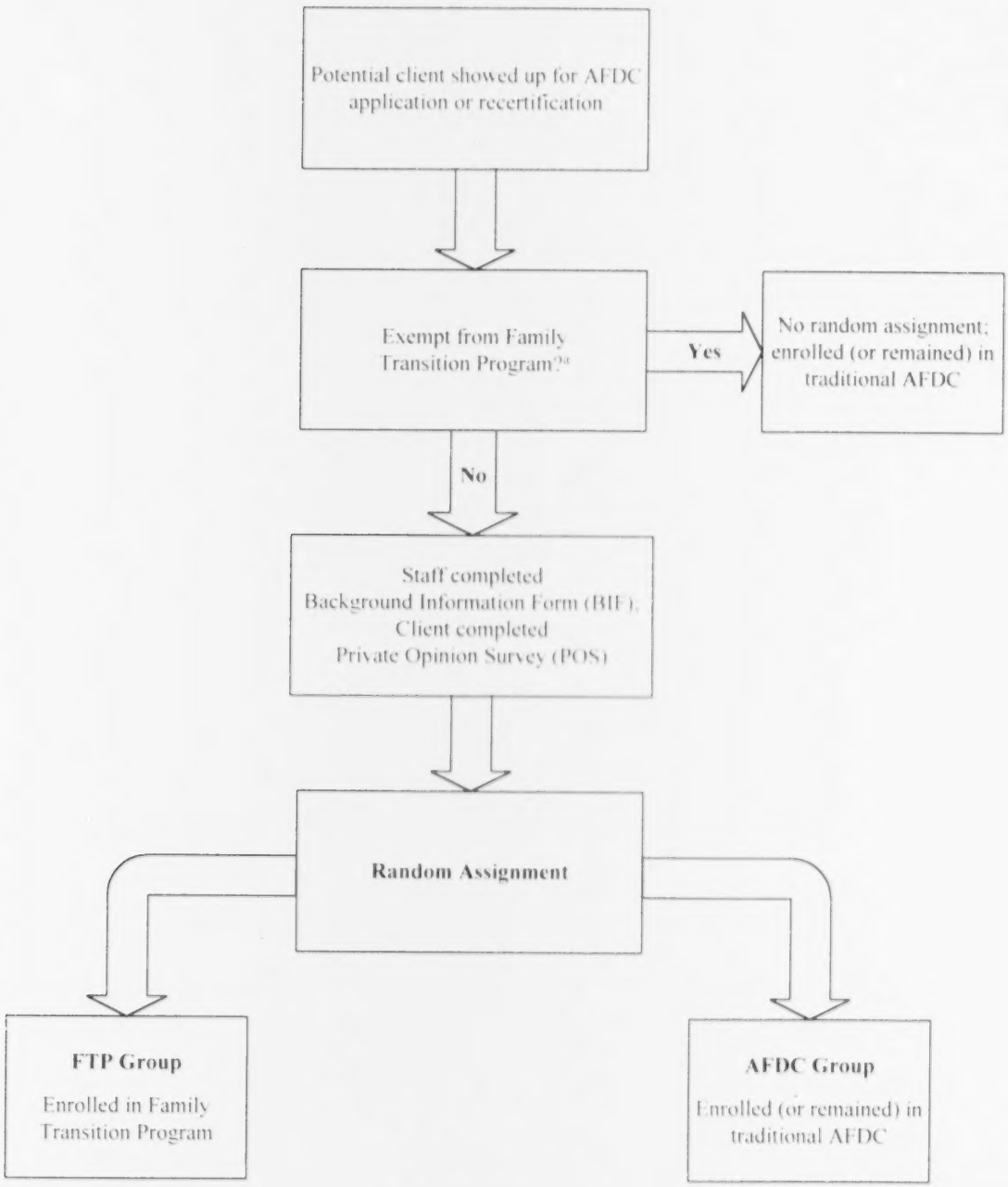
[19]A third form was used to collect contact information for a later survey.

[20]Because precise records were not kept of the individuals who were diverted from FTP in the pre-screening process, it is impossible to determine the size or characteristics of this population at this point.

Figure 1.2

Florida's Family Transition Program

The Random Assignment Process


Potential client showed up for AFDC application or recertification
Exempt from Family Transition Program?[a]
Yes
No random assignment; enrolled (or remained) in traditional AFDC
No
Staff completed Background Information Form (BIF); Client completed Private Opinion Survey (POS)
Random Assignment
FTP Group
Enrolled in Family Transition Program
AFDC Group
Enrolled (or remained) in traditional AFDC

NOTE: [a]The following individuals may have been exempted from FTP before random assignment: incapacitated or disabled adults; individuals under 18 years old who were attending school or working 30 hours or more per week; adults caring full time for disabled dependents; parents caring for children six months old or younger; recipients 62 years old or older; and caretaker relatives whose needs are not included in the grant.

Second, welfare applicants were randomly assigned early in the application process, before staff knew whether the application would be approved or denied. Thus, as discussed later, around 16 percent of the people in each research group never received cash assistance during the follow-up period, either because they did not follow through with their application or because they were found to be ineligible for benefits. Because people's behavior may be affected by FTP from the time they first hear about the program, conducting random assignment at this early point gives the study a better chance to measure the program's full impact; for example, FTP may alter the proportion of people who complete their application and actually start to receive benefits. At the same time, the early point of random assignment means that a sizable proportion of FTP group members had only very limited contact with the program.

Finally, although staff screened out people who were exempt from FTP prior to random assignment, there have been instances when members of the FTP group have been exempted after random assignment. FTP group members can be granted exemptions for disability or incapacitation at any point within their time limit by submitting a physician's document that indicates that they are unable to work or participate in FTP activities for at least 30 days.[21] Some enrollees are given only temporary exemptions — based on the doctor's written advice — but long-term exemptions have also been provided. When this occurs, the individual's time-limit "clock" is stopped (that is, while the exemption applies, months of cash assistance receipt do not count toward the time limit). Post-random assignment exemptions may occur because an exemption slipped through the screening process undetected or because an exemption did not exist until some point after random assignment (for example, a participant may have become incapacitated after random assignment).[22] Individuals who were exempted after random assignment remain part of the analysis.

III. An Introduction to Escambia County and the FTP Target Population

This section provides some background information about Escambia County and the State of Florida, including a short description of the new statewide welfare program. The second half of the section describes the characteristics of the FTP population at the onset of the study.

A. Escambia County and the State of Florida

Escambia County is located in the "panhandle" region in northwestern Florida, along the Alabama border. As Table 1.2 shows, Escambia is a mid-sized county by Florida standards. It

[21]Unless a pregnant FTP participant can demonstrate that her pregnancy prevents her from participating in FTP activities, women who become pregnant after entering the FTP program are not exempted from the time-limit clock. Pregnant FTP participants are, however, excused from the employment and training requirements for the duration of their pregnancy.

[22]In addition, it is important to note that most other Florida counties did not impose time limits until late 1996, when the statewide program WAGES started. Thus, if a member of the FTP group left Escambia County before that point and began receiving welfare in another county, she was no longer subject to a time limit (unless she later returned to Escambia County). After WAGES was implemented, however, an FTP group member's clock "followed" her into any district in the state. Similarly, an AFDC group member who moved out of Escambia County after late 1996 would be subject to the WAGES time limit (starting with Month 1) if she started receiving cash assistance.

Table 1.2

Florida's Family Transition Program

Selected Demographic and Economic Characteristics: Escambia County, State of Florida, and United States

Characteristic	Escambia County	State of Florida	United States
Total population (1995)	273,804	14,165,570	262,755,270
Rank among Florida's 67 counties	15	N/A	N/A
Nonwhite population (1990) (%)	23.4	16.9	19.7
Rural population (1990) (%)	14.1	15.2	24.8
Median household income (1989) ($)	25,158	27,483	30,056
Poverty rate (1989) (%)	17.0	12.7	13.1
Nonfarm employment by industry (1990) (%)			
Manufacturing	7.3	8.0	17.4
Trade	22.1	24.2	17.9
Services	27.2	30.9	25.5
Government	26.6	14.4	16.7
Construction	6.0	6.6	4.7
Finance, insurance, real estate	5.6	9.3	6.1
Other	5.2	6.6	82.6
Unemployment rate (%)			
June 1994	5.2	7.1	6.2
June 1996	4.3	5.4	5.5
June 1998	4.5	4.8	4.7
Percentage change in number of employed persons 1993-1997[a]	1.3	9.3	7.7
Percentage change in estimated population 1993-1997[b]	4.3	6.9	3.8

SOURCES: All total population data, all nonwhite population data, all median household income data, and all poverty rate data are from the U.S. Census, published in Hall and Gaquin, *1997 County and City Extra*, 1997; U.S. Bureau of the Census, 1996 (all rural population data); *Florida County Comparisons*, Florida Department of Commerce, 1993 (county rank, data on Escambia's and Florida's employment by industry); U.S. Department of Labor, Bureau of Labor Statistics web site, 1998 (unemployment rate data, U.S. employment by industry data, and number of employed persons); and U.S. Bureau of the Census, Population Division web site (all population estimates).

NOTES: N/A indicates that the data are not applicable.

Please refer to Appendix Table A.1 for data corresponding to this table.

[a]The number of employed persons are all persons in the civilian labor force, who, during the reference week (week including the twelfth day of the month), (1) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their own family or (2) were not working but who had jobs from which they were temporarily absent. Each employed person is counted only once, even if he or she holds more than one job. The civilian labor force includes all persons in the civilian noninstitutional population classifed as either employed or unemployed.

[b]The estimated population is the computed number of persons living in an area (resident population) as of July 1. The estimated population is calculated from a demographic components of change model that incorporates information on natural change (births and deaths) and net migration (net domestic migration and net movement from abroad) that has occurred in the area since the reference date, such as April 1, 1990, the date of the 1990 census.

has a relatively large nonwhite population, a fairly low median household income, and a poverty rate that exceeds the state and national averages. Nearly one-fourth of the county's population lives within the borders of the largest city, Pensacola.[23]

In general, the breakdown of employment by sector is similar in Escambia County and the State of Florida. The key difference is that a much larger fraction of the Escambia County work force is employed by the government; there is a large U.S. Navy facility in the county. There is also a large tourism industry, which generates many seasonal jobs.

Early in the implementation of FTP, Escambia County's unemployment rate was well below the state and national averages. In recent years, however, as the national economy has improved, national and state unemployment rates have reached Escambia's low level. Furthermore, on average, the state has shown around a 10 percent increase of employed persons during the period of 1993 to 1997, while the statewide population has increased 7 percent, indicating some statewide improvement in economic conditions. Escambia, on the other hand, increased the number of employed persons by only 1 percent over the same period (see Appendix Table A.1 for economic information on additional Florida counties).

B. Florida's New Welfare Program, WAGES

The WAGES program went into effect on October 1, 1996. The program's design was based on the policies of FTP and incorporates some of the same elements. Florida's WAGES plan includes two levels of time limits — 24 and 36 months — but it also imposes a lifetime limit of 48 months for both groups. The WAGES plan is more "work-first" than FTP — participants are required immediately to search for and obtain a job as a condition of their participation in the program (although in 1995, FTP shifted its primary focus from education and training to job search and job placement). Furthermore, WAGES specifies a fixed range of options that will satisfy participation requirements and establishes a series of strict sanctions for noncompliance with the requirements. These sanctions, which include full-family, full-benefit sanctions for the second instance of noncompliance, were adopted in 1997 for the FTP and the AFDC group and are discussed further in Chapter 2. WAGES also includes the FTP earnings disregard and asset limits, as well as increased funding for child care and transitional services. Finally, WAGES also adds one significant policy that is not applicable to either FTP or AFDC group members. The program attempts to divert applicants from fully enrolling in the welfare program at the start: In lieu of completing the welfare application, an applicant family can opt instead to receive one-time payment that will cover immediate or emergency needs.[24]

C. Welfare Caseload Decline in the State of Florida and Escambia County

Cash assistance caseloads across Florida have decreased dramatically during the period of FTP's operation. From its peak level in 1993, Florida's statewide AFDC/TANF caseload has decreased by approximately 61 percent.[25] Although most states' caseloads have declined from the

[23]Pensacola's population is about 60,000, but the population of the metropolitan area (which is only partly in Escambia County) is about 378,000.

[24]Quint et al., forthcoming.

[25]U.S. Department of Health and Human Services, Department of Children and Families, 1998.

national peak levels observed in 1992-1994, during this period, Florida has experienced a more rapid decline than other states.[26]

Table 1.3 details the caseload declines in selected Florida counties from February 1994 to May 1998. As the table shows, caseloads across the state have dropped around 50 to 75 percent over the past four years, and they have decreased most rapidly in the period after the inception of the WAGES program in October 1996. In the period before the WAGES program, when Escambia was one of the only counties in the state with a time-limited program, its caseload declined at a slightly faster rate than other Florida counties (around 29 percent). It is important to note, however, that most Florida counties showed some decline in their caseloads during that period, and many declined at a similar or only slightly smaller rate as Escambia. The Escambia caseload decline has been smaller than most average county rates, however, during the period after the WAGES implementation. This may be partly because a large proportion of Escambia's caseload is not subject to the WAGES program.

D. The FTP Target Population

As discussed in the previous section, two brief forms, the Background Information Form (BIF) and the Private Opinion Survey (POS), were completed for each member of the research sample just before he or she was randomly assigned to the FTP group or the AFDC group.[27] This section describes some of the data collected from those forms.

1. Demographic characteristics of the FTP population. Table 1.4 shows information collected from the Background Information Form for the FTP population (including both FTP and AFDC group members). The table shows the characteristics of the report sample, which consists of single-parent cases who went through the random assignment process between May 1994 and February 1995 (a full description of the report sample is provided in the following section). BIF data are available for approximately 97 percent of the people in the report sample (see Appendix A for selected characteristics of subgroups of the report sample).

As expected, the vast majority of report sample members are women. Their average age at the point of random assignment was about 29, but nearly one-third of the sample members were under 25 years old when randomly assigned. Roughly equal proportions of the sample are black and white; there are few Hispanics.[28]

These data provide some indication of the magnitude of the task facing FTP in helping these individuals move to self-sufficiency. It is encouraging that the vast majority of sample members had at least some work experience prior to random assignment. At the same time, most had little *recent* work experience (less than 12 percent had earned $5,000 or more in the previous

[26]Only the states of Idaho, Mississippi, West Virginia, Wisconsin, and Wyoming have had larger declines during this period, and none of these states has a population equivalent to Florida's.

[27]The FTP research sample does not represent the entire Escambia County AFDC/TANF caseload. Certain categories of individuals who were exempt from FTP were screened out and did not go through the random assignment process.

[28]Nationally, the AFDC caseload is about 37 percent non-Hispanic white, 36 percent non-Hispanic black, and 20 percent Hispanic.

Table 1.3

Florida's Family Transition Program

Decline of Welfare Caseloads in Selected Florida Counties from February 1994 to May 1998

County Name	Monthly Average Number of Families Receiving Cash Assistance			Caseload Decline (%)		
	February 1994	September 1996	May 1998	2.94-9.96	10.96-5.98	2.94-5.98
Escambia	**6,603**	**4,700**	**2,544**	**-28.8**	**-44.9**	**-61.5**
Alachua	4,168	3,511	2,235	-15.8	-35.3	-46.4
Bay	2,341	1,856	603	-20.7	-67.8	-74.2
Brevard	5,424	4,305	1,687	-20.6	-59.6	-68.9
Broward	18,891	14,788	5,396	-21.7	-62.6	-71.4
Citrus	1,456	1,052	412	-27.7	-58.7	-71.7
Clay	1,013	847	358	-16.4	-56.8	-64.7
Collier	1,751	1,372	520	-21.6	-60.4	-70.3
Columbia	1,359	1,010	607	-25.7	-39.1	-55.3
Dade	55,293	44,808	29,597	-19.0	-32.5	-46.5
Duval	16,546	11,353	4,231	-31.4	-61.1	-74.4
Gadsen	1,792	1,369	789	-23.6	-41.0	-56.0
Hernando	1,610	1,287	524	-20.1	-58.5	-67.5
Highlands	1,155	999	441	-13.5	-54.8	-61.8
Hillsborough	17,946	14,882	7,599	-17.1	-47.2	-57.7
Lake	2,858	2,401	970	-16.0	-57.8	-66.1
Lee	3,571	3,010	1,371	-15.7	-52.5	-61.6
Leon	3,611	2,870	1,645	-20.5	-41.5	-54.4
Manatee	3,119	2,345	1,025	-24.8	-54.8	-67.1
Marion	4,412	3,409	1,445	-22.7	-56.3	-67.2
Okaloosa	1,638	1,139	451	-30.5	-57.7	-72.5
Orange	13,586	9,939	4,417	-26.8	-53.9	-67.5
Osceola	2,101	1,809	795	-13.9	-54.8	-62.2
Palm Beach	11,422	8,363	4,538	-26.8	-43.8	-60.3
Pasco	3,735	3,191	1,472	-14.6	-52.3	-60.6
Pinellas	11,704	8,879	4,267	-24.1	-50.7	-63.5
Polk	8,493	7,749	3,356	-8.8	-55.3	-60.5
Putnam	2,178	1,821	920	-16.4	-48.2	-57.8
St. Johns	1,087	768	335	-29.3	-53.3	-69.2
St. Lucie	3,031	2,467	1,290	-18.6	-47.4	-57.4
Santa Rosa	1,382	1,041	484	-24.7	-52.5	-65.0
Sarasota	2,117	1,388	591	-34.4	-55.6	-72.1
Seminole	3,799	2,777	1,112	-26.9	-58.4	-70.7
Volusia	5,893	4,755	2,335	-19.3	-50.3	-60.4
State of Florida	**244,266**	**192,087**	**96,501**	**-21.4**	**-48.3**	**-60.5**

SOURCE: MDRC calculations based on caseload data provided by the Department of Children and Families, Florida.

NOTE: All Florida counties with an average monthly caseload over 1,000 in February 1994 were included in this table.

Table 1.4

Florida's Family Transition Program

Selected Demographic Characteristics of the Report Sample at the Time of Random Assignment

Characteristic	Report Sample
Gender (%)	
Female	97.2
Male	2.9
Age (%)	
Under 20	7.2
20-24	25.2
25-34	44.7
35-44	19.7
45 and over	3.3
Average age (years)	29.1
Race/ethnicity (%)	
White, non-Hispanic	45.4
Black, non-Hispanic	51.8
Hispanic	1.1
Other	1.7
Family status	
Marital status (%)	
Never married	49.4
Married, not living with spouse	24.4
Separated	4.8
Divorced	19.8
Other	1.7
Average number of children	2.0
Age of youngest child (%)	
2 years and under[a]	42.4
3-5 years	26.3
6 years and over	31.3
Work history	
Ever worked (%)	90.7
Ever worked full time for 6 months or more for one employer (%)	60.1
Among those currently employed, average hourly wage ($)	4.93

(continued)

Table 1.4 (continued)

Characteristic	Report Sample
Approximate earnings in past 12 months (%)	
$0	53.8
$1-$999	19.1
$1,000-$4,999	15.5
$5,000-$9,999	7.6
$10,000 or more	3.9
Educational status	
Highest grade completed in school (average)	11.1
Highest degree/diploma earned (%)	
GED[b]	10.1
High school diploma	44.2
Technical/2-year college degree	5.5
4-year (or more) college degree	0.9
None of the above	39.4
Enrolled in education or training during the past 12 months (%)	23.4
Public assistance status	
Aid status (%)	
Applicant	51.7
Recipient	48.3
Total prior AFDC receipt[c] (%)	
None	12.2
Less than 4 months	5.4
4 months or more but less than 1 year	15.1
1 year or more but less than 2 years	14.5
2 years or more but less than 5 years	25.3
5 years or more but less than 10 years	17.5
10 years or more	10.1
Resided as a child in a household receiving AFDC (%)	19.1
Imputed time limit[d] (%)	
24 months	47.5
36 months	52.5
Current housing status (%)	
Public housing	7.1
Subsidized housing	16.2
Emergency or temporary housing	4.8
None of the above	71.9
Sample size	2,738

(continued)

Table 1.4 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: A total of 79 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]This category includes sample members who were pregnant at the time of random assignment.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

year), and 40 percent had *never* worked full time for six months or more for one employer. More than half of the sample members had received welfare on their own or their spouse's case for a total of two years or more prior to random assignment.

There is also evidence that many sample members have limited earnings capacity. Nearly 40 percent did not have a high school diploma or equivalent at the point of random assignment, and only 6 percent had a post-secondary degree. Among those who were employed at the point of random assignment, the average hourly wage was less than $5.00 (the minimum wage was $4.25 per hour when these data were collected).[29]

Finally, more than two-thirds of the sample members had at least one preschool child at the point of random assignment, and more than 40 percent had at least one child under age three. This suggests that there may be a heavy demand for subsidized child care.

2. Attitudes and opinions of report sample members. Table 1.5 displays information from the Private Opinion Survey; about 92 percent of report sample members completed the POS, which was optional.

These data show that about 72 percent of the sample members who were not employed at the point of random assignment reported that they were facing at least one of five specific barriers to employment. By far the most commonly cited barriers were related to child care and transportation, issues with which FTP offers assistance. Nearly one-fourth of the respondents said they could not work because they or a family member had a health or emotional problem, and a similar proportion said they were experiencing too many family problems. (There is some overlap between these two groups: About 34 percent said they had *either* a health or emotional problem *or* too many family problems; this is not shown in the table.) FTP offers counseling and health services that might address some of these issues.

A series of questions asked respondents to express their preferences among five activities: part-time work, full-time work, basic education, job training, and staying home to care for one's family. The largest share of respondents — just over 40 percent — said they would prefer full-time work. Another 36 percent preferred job training. Only about 5 percent said they preferred to go to school to study basic reading and math, and a similar proportion said they preferred to stay home to take care of their families.[30]

In terms of their job preferences, the vast majority of respondents said they would take a job that supported their families a little better than welfare, even if they did not like the work (71 percent) or if they had to work at night occasionally (77 percent). However, fewer than half said they would take the job if it was at a fast-food restaurant or if it took them more than one hour to get there. Less than 40 percent of respondents said they would take a full-time job that paid less

[29]As expected, relatively few sample members — about 17 percent — were employed at the point of random assignment.

[30]On another question (not shown in the table), 21.3 percent said that they "prefer not to work so they can take care of their families full time." The question shown in the table asked respondents to express their preferences among the five activities. Apparently, some people would prefer training or some other activity — but not full-time work — to staying home full time.

Table 1.5

Florida's Family Transition Program

Attitudes and Opinions of the Report Sample at the Time of Random Assignment

Attitude or Opinion	Report Sample
Client-reported barriers to employment	
Among those not currently employed, percentage who agreed or agreed a lot that they could not work part time right now for the following reasons	
No way to get there every day	42.8
Cannot arrange for child care	48.9
A health or emotional problem, or a family member with a health or emotional problem	23.1
Too many family problems	23.6
Already have too much to do during the day	16.2
Any of the above five reasons	72.1
Client-reported preferred activities	
Given the following choices, percentage who would prefer to	
Stay home to take care of their families	6.2
Go to school to learn a job skill	36.0
Go to school to study basic reading and math	5.2
Get a part-time job	6.0
Get a full-time job	40.3
Client-reported expectations regarding employment	
Percentage of clients who would likely or very likely take a job that could support their family a little better than welfare if	
Client didn't like the work	70.8
Client had to work at night once in a while	76.9
The job was in a fast-food restaurant like McDonald's	49.4
It took more than an hour to get there	40.6
Minimum amount per hour at which client would take a full-time job	
With no medical benefits	
Median ($)	6.00
Mode ($)	5.00
Mean ($)	7.93
With full medical benefits	
Median ($)	6.00
Mode ($)	5.00
Mean ($)	6.69
Clients' estimation of average added value of employer-provided medical benefits per hour ($)	1.24

(continued)

Table 1.5 (continued)

Attitude or Opinion	Report Sample
Percentage who agreed or agreed a lot that:	
It will probably take them more than a year to get a full-time job and get off welfare	46.9
They would take a full-time job today, even if the job paid less than welfare	38.1
If they got a job, they could find someone they trusted to take care of their children	77.9
A year from now they expect to be working	89.3
A year from now they expect to be receiving welfare	15.7
Client-reported employment-related activities	
Percentage who reported that they had been able to look for a job during the past three months to the following extent:	
Not at all	32.0
Some/a little	31.5
A moderate amount	20.3
A great deal	16.2
Percentage who reported that they planned to be in school or a training program in the next few months	57.5
Client-reported attitudes toward welfare	
Percentage who agreed or agreed a lot with the following statements:	
I feel that people look down on me for being on welfare	45.1
I am ashamed to admit to people that I am on welfare	39.7
Right now, being on welfare provides for my family better than I could by working	40.2
I think it is better for my family that I stay on welfare than work at a job	10.2
Client-reported social support network	
Percentage who agreed or agreed a lot with the following statements:	
Among my family, friends, and neighbors, I am one of the few people on welfare	32.4
When I have trouble or need help, I have someone to talk to	77.4
Client-reported sense of efficacy	
Percentage who agreed or agreed a lot with the following statements:	
I have little control over the things that happen to me	23.7
I often feel angry that people like me never have a chance to succeed	39.0
Sometimes I feel that I'm being pushed around in life	44.5
There is little I can do to change many of the important things in my life	28.2
All of the above	6.1
None of the above	32.7
Sample size	2,583

(continued)

Table 1.5 (continued)

SOURCE: MDRC calculations from Private Opinion Survey (POS) data for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: A total of 234 sample members who chose not to fill out a POS are not included in the table.

In most item groupings, individuals could agree or agree a lot with more than one statement in the grouping. Therefore, percentages may add up to more than 100.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]Part time is defined as a minimum of 10 hours per week.

[b]Distributions do not add up to 100 percent because some individuals did not indicate a consistent preference. Multiple responses were not possible for this item.

[c]Full time is defined as 40 hours or more per week.

than welfare. (Such jobs are likely to be rare; even a minimum-wage, full-time job would pay more than the combined total of AFDC/TANF and Food Stamps for most FTP families.)

Several of the responses indicate that respondents place a high value on health insurance coverage. When asked about their minimum acceptable hourly wage, the average response was $6.69 an hour if the job provided health insurance and $7.93 an hour if it did not. In other words, respondents value health insurance at about $1.24 per hour.

Although respondents probably knew little about FTP's time limit at the point the POS was administered, very few of them expected to reach the "cliff." Only 16 percent said they expected to be receiving welfare in one year; 89 percent said they expected to be working at that point.

IV. About This Report

This section describes the data used in this report, the groups for whom each type of data were collected, and the time frame of the analysis. It ends with a brief outline of the contents of the rest of the report.

A. Data Sources

This report uses data from several sources to describe FTP's implementation and impacts. In general, the report uses two types of data: (1) data that describe the characteristics and circumstances of individual members of the FTP and AFDC groups during specific time periods and (2) other data that describe FTP's implementation or operations. As discussed below, not all of the individual-level data are available for all members of the two groups.

1. Individual-level data. The following types of data were collected for individual members of the FTP and AFDC groups:

- **Baseline data.** As noted earlier, two brief forms, the Background Information Form and the Private Opinion Survey, were completed for virtually all members of the research sample. These data provide a "snapshot" of the characteristics and attitudes of the two groups' members as of the date each person was randomly assigned.

- **Administrative records.** The State of Florida has provided MDRC with statewide computerized data on monthly AFDC/TANF payments, monthly Food Stamp benefits, and quarterly earnings reported to the state's Unemployment Insurance (UI) system, for each member of the FTP and AFDC groups. The AFDC/TANF and Food Stamp data available for this report cover the period from April 1993 (one year before the first random assignment) to July 1998,[1] while the quarterly earnings data cover the period from April 1993 to March 1998.

[1] The data for the analysis of outcomes in Chapter 5 cover only the period from April 1993 to March 1998, in order to match the follow-up period for UI earnings.

- **Post-time-limit survey.** Working with a subcontractor, MDRC is attempting to conduct in-person interviews with all FTP participants who reached the time limit during certain calendar periods. Individuals are interviewed around the time their benefits expire, and then six, 12, and 18 months later. Overall, 89 individuals belonging to both the 24- and 36-month groups were identified for the post-time-limit study. Seventy-nine percent of those identified spoke with MDRC at the end of their time limit. This includes 32 individuals with a 24-month time limit who received their last welfare check between November 1996 and May 1997 and 38 individuals with a 36-month time limit who received their final check between June 1997 and February 1998. Eighty-one percent of the group that completed the end-of-time-limit interview also completed the six-month follow-up interview. This report describes results from the end-of-time-limit and the six-month follow-up interviews for both the 24- and the 36-month groups.

- **Review Panel summaries.** At various points (generally falling at nine-month intervals) along an FTP sample member's time-limit clock, case managers can choose to send their client to a citizen board for an independent review of the client's case (discussed in detail in Chapter 3). When an FTP participant is reviewed by this panel, the case manager must prepare a detailed account of the client's case history to aid in the panel's decision process. The panel then reviews the case and submits their formal recommendations to the Department of Children and Families District Administrator. These documents were obtained for a subset of the report sample and used to expand and inform the analysis of the pre-time-limit process.

- **CMS data.** MDRC obtained data on FTP group members' case histories and employment-related participation from FTP's computerized tracking system, the Case Management System (CMS). Information was extracted from this source in order to clarify the statuses of FTP clients at various points before their time limit. The results of this analysis are presented primarily in the discussion of the time limit in Chapter 3.

- **Two-year client survey.** A survey was administered to approximately 600 FTP and AFDC group members in early to mid-1997, approximately two years after their date of random assignment (the sample included individuals randomly assigned from December 1994 to February 1995). Data from this survey were described primarily in the third FTP report and are not focused on extensively here. Survey data were used, however, to assist in the analysis of outcomes described in Chapter 5 of this report.

2. Other data. The report uses several other types of data to help characterize FTP's implementation. For example, MDRC staff periodically visit Escambia County to interview line staff and managers and to observe program activities. This report draws to some extent on information from visits conducted throughout the evaluation, but it focuses most directly on the most recent visit, conducted in August 1998. In addition, MDRC administered written surveys to staff

in FTP and the traditional AFDC program in mid-1996 and presented the results of these surveys in the second FTP report.

B. Samples, Subgroups, and Time Frames

As discussed earlier, the data used in this report generally cover the period from FTP's implementation in May 1994 to the summer of 1998, a period of about four years. Detailed information on FTP's operations was included in the previous FTP reports. This report summarizes this earlier information, but it primarily focuses on supplying new information and analyses of the FTP program.

Because some of the data described in the previous section are only available for subsets of people, this report's analysis does not always focus on all members of the FTP and AFDC groups. The various samples and subsamples included in this report are described below. Figure 1.3 illustrates the time frames for which data are available, and Figure 1.4 represents the samples used in the analysis. Figure 1.3 also shows the timing of key events in federal and state welfare policy that may have affected FTP and the members of the research groups.

1. The report sample. As noted earlier, welfare applicants and recipients were randomly assigned to the FTP and AFDC groups from May 1994 to October 1996. A total of 5,430 people were randomly assigned during this period. These individuals are known collectively as the *full research sample* for the FTP evaluation. This report primarily focuses on a subset of the full research sample: the 2,817[12] single-parent cases that were randomly assigned from May 1994 to February 1995.[13] This group, which is depicted in Figures 1.3 and 1.4, is referred to as the *report sample*.[14]

As discussed earlier, administrative records of quarterly earnings, AFDC/TANF payments, and Food Stamp benefits are available for all members of the FTP and AFDC groups. The administrative data used in the report's impact analysis cover the period through March 1998, which means that three years of post-random assignment earnings, cash assistance, and Food Stamps data are available for each member of the report sample.[15] These follow-up periods are illustrated in Figure 1.3.

The report sample includes mostly people who entered FTP during its start-up period. As discussed more fully in Chapter 2, this means that the FTP group members studied here experienced the program before it was fully implemented, and they heard the time-limit message before anyone had actually reached the limit; nevertheless, they heard a different message and received a much richer set of services and supports than did members of the AFDC group.

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[12]As discussed in Chapter 5, two sample members were dropped for the impact analyses because of errors in their administrative data.

[13]This report does not include any data on two-parent cases, who accounted for only about 11.3 percent of the cases randomly assigned during this period.

[14]This group was selected because the random assignment process was virtually suspended from early March to late October 1995 for programmatic reasons. The few individuals assigned during this period were atypical — they were all applicants with no recent welfare history — and thus inappropriate to include in the analysis.

[15]The AFDC/TANF and Food Stamp data are aggregated into quarters to make them consistent with the earnings data.

Figure 1.3

Florida's Family Transition Program

Milestones in FTP's Implementation and Time Frames Covered by the Data Sources Used in This Report

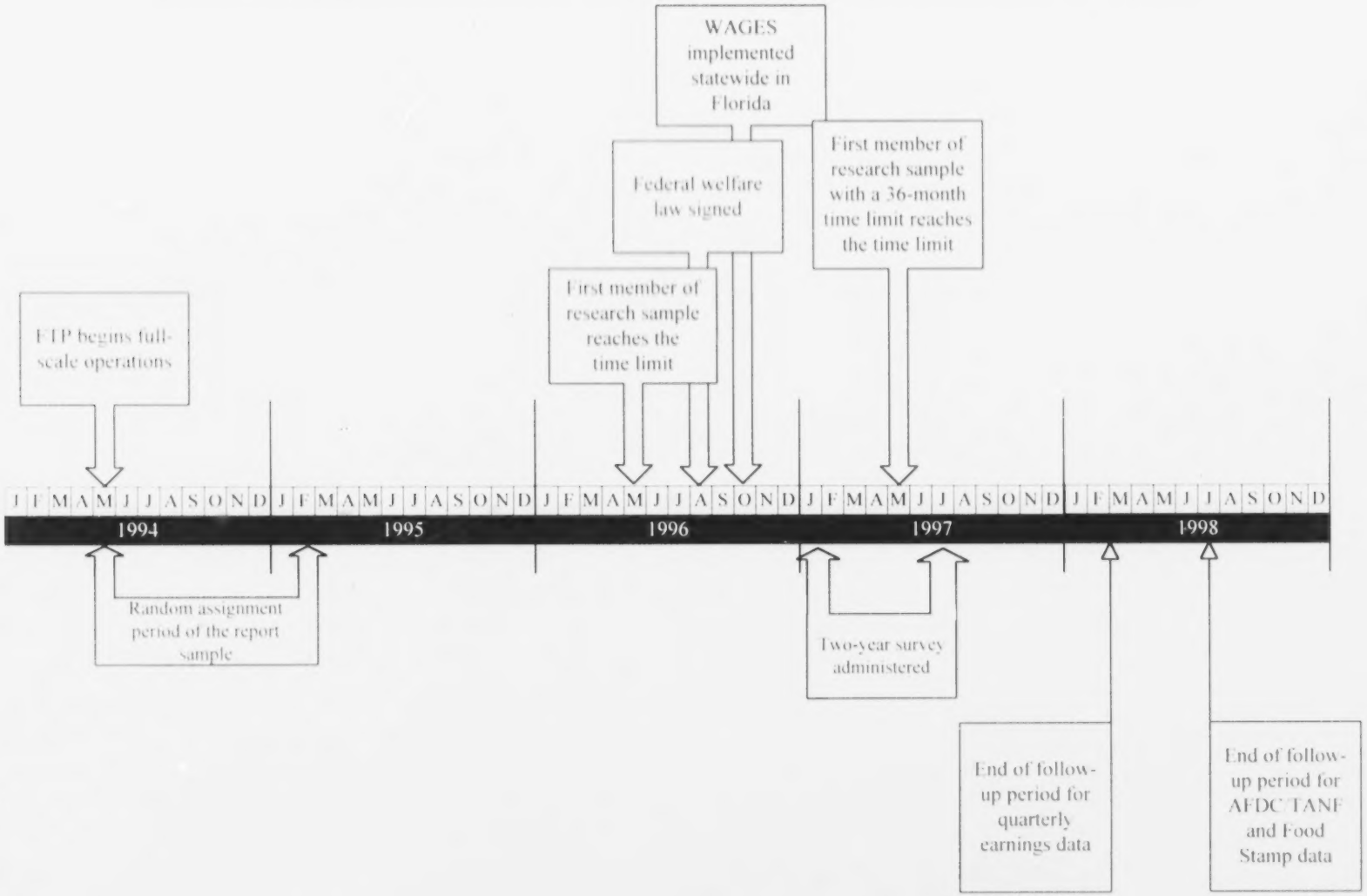
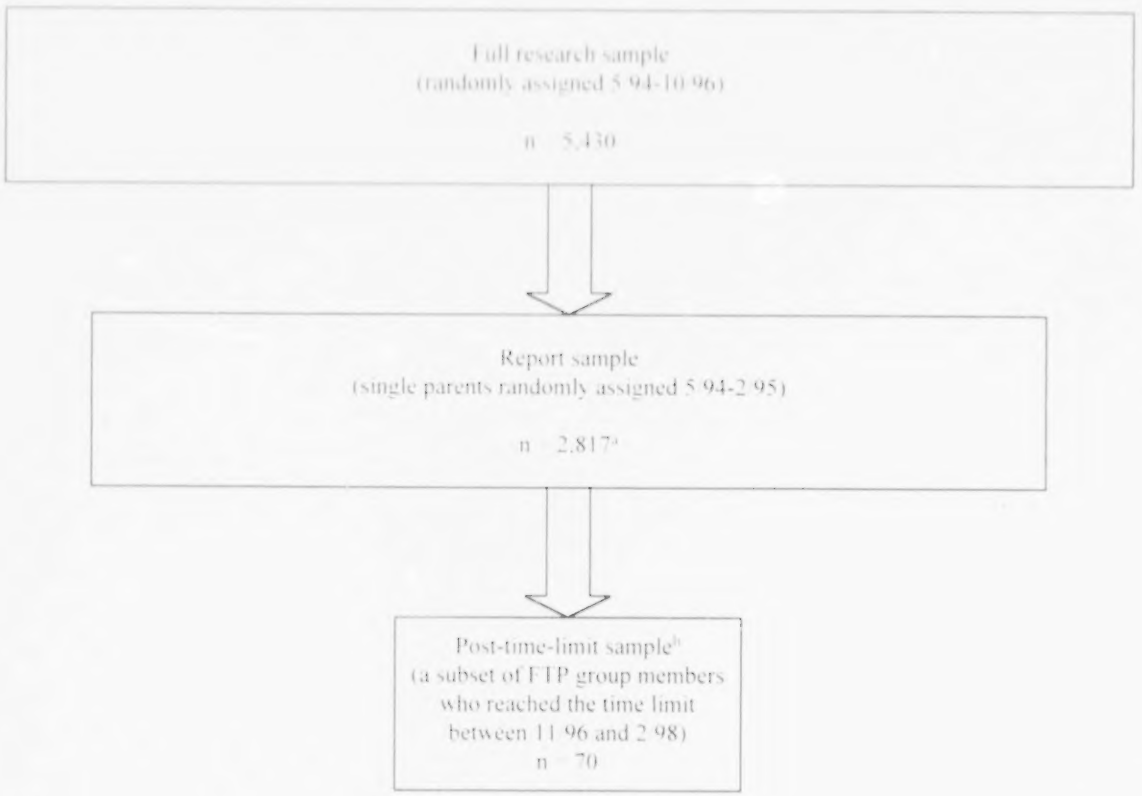

WAGES implemented statewide in Florida
Federal welfare law signed
First member of research sample with a 36-month time limit reaches the time limit
First member of research sample reaches the time limit
FTP begins full-scale operations
J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D
1994
1995
1996
1997
1998
Random assignment period of the report sample
Two-year survey administered
End of follow-up period for quarterly earnings data
End of follow-up period for AFDC/TANF and Food Stamp data

Figure 1.4

Florida's Family Transition Program

Samples and Subsamples Used in This Report



NOTES: [a]Two sample members were dropped in the impact analysis due to incomplete administrative data.

[b]Two members of the post-time-limit sample are not members of the report sample. They entered FTP during a pilot phase that preceded the beginning of random assignment.

2. **Post-time-limit sample.** As noted earlier, the analysis in Chapter 4 focuses on a small group of FTP group members who reached the time limit (or left welfare just before reaching the limit) between November 1996 and February 1998.[36] As discussed in Appendix B, MDRC attempted to conduct interviews with everyone who reached the time limit during each specified time period but was not able to do so. Of 89 total eligible recipients identified to have received their final welfare checks during the two separate sample periods, 70 individuals were located and agreed to be included in the study for the end-of-time-limit interview, and 57 individuals responded to the six-month follow-up interview (response rates of 79 and 81 percent, respectively). Nearly all the people in the post-time-limit sample are members of the report sample.[37]

3. **Subgroups of the report sample.** In addition to an analysis of FTP's impact on the report sample as a whole, Chapter 5 also examines whether FTP's impacts differ for specific subgroups within the report sample. Often, overall results mask the fact that a program works differently for different types of people.

Some subgroup distinctions are especially important to the analysis of this program. One key subgroup distinction is based on the *characteristics that determine the length of an individual's time limit*. As noted earlier, most FTP participants are limited to 24 months of cash assistance receipt in any 60-month period. However, certain long-term recipients and individuals with limited work histories — accounting for just over 40 percent of those in the report sample — are allowed 36 months of receipt in a 72-month period.

Because a recipient's time limit is determined on the basis of her characteristics at the point of random assignment (which are described on the Background Information Form), it is possible to predict which time limit would have been assigned to each AFDC group member had she been subject to FTP.[38] This makes it possible to compare outcomes for FTP group members with a specific time limit to similar AFDC group members. The time-limit distinction captures both an important demographic difference (people with a 24-month time limit generally face fewer barriers to employment) and a key difference in the program "treatment."

Another significant subgroup distinction is based on two characteristics: an individual's *recent work history* and her *attainment of a high school diploma or a GED*. Taken together, these two characteristics constitute a sample member's *level of job readiness*. This subgroup can help to distinguish those who may be capable of finding employment relatively quickly from those facing more significant barriers to employment.

A number of other subgroups of the report sample have been identified, including subgroups defined by *the age of the recipient's youngest child* and by a *sample member's race/ethnicity* and subgroups described by an individual's *prior AFDC receipt, prior employment,* and *prior education*. The results of the analyses of these subgroups are presented in Appendix C.

[36] Two separate time periods were included in the sample — November 1996 through May 1997 for individuals with a 24-month time limit and June 1997 through February 1998 for those with a 36-month time limit.

[37] Two members of the post-time-limit sample entered FTP during a brief pilot that preceded the beginning of random assignment.

[38] The time-limit subgroups in this report were defined slightly differently than in the previous FTP reports.

As mentioned earlier, Appendix A contains information on selected characteristics of these subgroups.

C. The Contents of This Report

As discussed earlier, this report focuses on the same three topics that were covered in the previous two FTP reports: implementation, impacts, and the FTP time limit. However, this report goes beyond the prior documents in each area by examining data for a longer follow-up period and using new methods of analysis and examination.

The report is organized as follows: Chapters 2 and 3 examine particular aspects of FTP's implementation. Chapter 2 provides a description and an update on FTP's implementation in Escambia County, and Chapter 3 focuses on the time limit. It explains how many people are reaching FTP's time limit, examines their characteristics, and describes the multi-step process that occurs as people approach and then reach the time limit.

Chapter 4 details the findings from the post-time-limit study and describes the circumstances of those individuals who have been off cash benefits for six months. Chapter 5 uses administrative records data to examine FTP's impacts on employment, earnings, welfare receipt, family income, and other outcomes during the three years after random assignment.

Chapter 2

Implementation of the Family Transition Program

This chapter describes how the Family Transition Program (FTP) has been implemented in Escambia County, providing background and context for interpreting results presented in later chapters. The first section presents an overview of the implementation findings. Sections II and III describe the staffing and organizational structure of FTP and traditional AFDC and the services provided in each program. Section IV discusses the key differences between the FTP and traditional AFDC programs and presents information on the levels of participation in employment-related activities among FTP and AFDC group members. The final section gives a brief overview of how the Family Transition Program has changed over time.

Much of the information presented in this chapter is covered in more detail in MDRC's 1997 and 1998 reports on FTP.

I. A Brief Overview of FTP's Implementation

The key implementation findings are as follows:

- FTP is a well-implemented and resource-rich program. Florida has committed substantial resources to FTP, allowing the program to maintain low client-to-staff ratios and to offer an array of special services and supports.
- FTP is a strongly mandatory program: FTP group members are subject to more intensive mandates than are members of the AFDC group and are much more likely to be sanctioned (i.e., to have their grants reduced) for failing to comply with program rules.
- FTP underwent a shift in program philosophy in late 1995, from one that emphasized longer-term education and training for most individuals to one that utilized a more "work-first" approach (more clients are referred to job search or short-term training as their first activity). Since this report focuses on those individuals randomly assigned between May 1994 and February 1995, many members of this group received education and training services, at least during the early operational period.
- FTP has been able to effectively communicate to FTP group members information about the time limit. However, some AFDC group members also believe, incorrectly, that they are subject to a time limit. This latter finding may mean that the evaluation's impact analysis understates the potential impact of the program.

II. Organizational and Staffing Structure of FTP and Traditional AFDC

This section briefly describes the structure and staffing of both the Family Transition Program and the traditional AFDC program.

A. Organizational Structure

Both FTP and traditional AFDC are administered by the Florida Department of Children and Families (DCF), the state's welfare agency. The state's Department of Labor and Employment Security (DLES), through its Division of Jobs and Benefits, provides or coordinates employment-related services for welfare recipients statewide, and it plays this role for both FTP and AFDC group members in Escambia County. Some of the employment services are provided by DLES staff directly, while others are administered by community colleges, school districts, and other agencies under contracts or other arrangements. As discussed below, DLES operates a special set of employment-related services for FTP participants;[1] members of the AFDC group are served in DLES's traditional Project Independence program.[2]

In addition to DLES, several other agencies provide services to FTP participants under contracts or arrangements with DCF or DLES; many of these services are available in the two FTP service centers to make them more accessible to participants. For example, the Escambia County Public Health Department has outstationed a nurse in each service center to provide childhood immunizations and other health services for FTP participants and their children. Similarly, a local mental health facility has outstationed a counselor in the FTP office, and the child care resource and referral agency has stationed child care counselors there.

B. Staffing Structure

FTP group members received more assistance from welfare agency staff and DLES staff than did AFDC group members. This is reflected in the differences in staff's responsibilities, the caseload sizes, and the interactions between the two agencies for each program.

Each recipient in the traditional AFDC program is assigned to a public assistance specialist (PAS), who is responsible for determining the individual's eligibility for public assistance and calculating benefits. Recipients who are required to participate in employment and training activities are also assigned to a PI career advisor employed by DLES, who assigns them to employment-related activities and monitors their progress. These two workers do not share

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[1]During the early operational period, there was a local contract between FTP and DLES to fund employment-related services for FTP participants in Escambia County. Eventually, these funds were folded into a statewide contract between DCF and DLES that covered several FTP pilots. When WAGES was implemented, the other FTP pilots were discontinued. Now, funding for FTP's employment component is included in a larger pot of money provided to the local DLES office for WAGES (although DLES staff report that specific funds are identified for FTP and that these expenditures are tracked separately).

[2]Prior to implementation of WAGES, DLES was contracted by the Department of Children and Families to operate Project Independence, Florida's statewide Job Opportunities and Basic Skills (JOBS) welfare-to-work program. The name "Project Independence" is no longer used to describe DLES's welfare-to-work component under WAGES. However, the name is used in this report because members of the AFDC group participate in a program that looks similar to the traditional Project Independence program that operated statewide until October 1996.

caseloads; in other words, the recipients assigned to a particular PAS may be assigned to many different career advisors, and vice versa. There is typically limited interaction between these two types of workers.

FTP participants are also assigned to two workers. The first, the FTP case manager, is responsible for determining eligibility but also plays a broader role in helping participants plan and implement a route to self-sufficiency. FTP case managers have very small caseloads — each case manager has typically been responsible for 30 to 40 active cases at any point.[3] Nearly all of the FTP participants are also assigned to work with one of a group of Jobs and Benefits career advisors designated to work with FTP participants. Typically, each of these career advisors handles the cases assigned to two specific case managers; these staff members sit in close proximity to one another to facilitate regular communication. Like the case managers, FTP career advisors have much smaller caseloads than the career advisors who work with members of the AFDC group.

In addition to their case manager and their career advisor, FTP participants may also interact regularly with the staff from the other partner agencies who play a role in FTP.

III. Program Flow in FTP and AFDC

As described in Chapter 1, individuals went through the random assignment process when they were applying for welfare or having their benefits recertified. Those who were assigned to the FTP group were automatically enrolled in FTP, while those assigned to the AFDC group entered or remained in the traditional AFDC program. This section outlines the basic steps followed by members of the two groups after random assignment.

A. FTP Program Flow

In general, individuals assigned to the FTP group went through the following steps:

1. Orientation. Although FTP group members were introduced to the program during their initial application or recertification, the "official" introduction occurred at a group or individual orientation, which usually was scheduled within a week or two after random assignment. Orientations were conducted in different ways at different points in the program's history, but they always included a description of the program's rules, the time limit, and the services available through FTP.

2. Time-limit designation. During the intake process, case managers determined whether each FTP participant would be assigned a 24-month or a 36-month time limit. This determination was based on the individual's welfare history, age, education credentials, and recent

[3] In general, FTP case managers are responsible for working with FTP group members who are still receiving cash assistance, who have recently left welfare for work, or who are making use of the Bootstrap program (which provides continued support for education and training programs after clients leave cash assistance). FTP group members who are no longer receiving cash assistance but are receiving other benefits such as Food Stamps, or who are exempt from FTP, are transferred to one of several public assistance specialists assigned to FTP.

work experience.[4] Staff did not exercise discretion in assigning the time limit; the designation is based on objective criteria. However, the rules were not always applied correctly during the start-up period.[5]

3. FTP plan. Participants worked with their career advisor and case manager to develop a plan of activities designed to lead to self-sufficiency. The Family Transition Act specified a sequence of activities — job search, followed by unpaid work for those who did not find jobs — for FTP participants considered job-ready. However, staff report that the job-readiness criteria used in FTP resulted in most participants' being defined as not-job-ready.[6] Plans for these participants were developed on a case-by-case basis and often included education and training activities. In the fall of 1995, FTP shifted its emphasis from education and training to job search or short-term training. Most FTP participants are expected to engage in activities for at least 30 hours per week (compared with 20 hours as required of the traditional AFDC group). Many participants meet numerous times with program staff to identify and address barriers to employment.

DLES provides the same general categories of employment and training services to FTP and AFDC group members. However, FTP's relatively generous funding has allowed administrators to develop enhanced services within each category; these special services are open only to FTP participants. This is discussed further in Section III. The accompanying box gives a brief description of the key categories of employment-related activities.

4. Ongoing participation. Case managers and career advisors monitor FTP group members' participation in their assigned activities. Those who fail to comply with their plan may be sanctioned. In general, career advisors monitor participation in employment-related activities, and case managers monitor the parental responsibility mandates (as well as eligibility-related mandates). As discussed further in Chapter 3, participants who are not complying with FTP or who are failing to make progress toward self-sufficiency are also taken before the citizen Review Panel.

5. Exit. FTP participants who leave welfare for work may receive continued support for education and training activities through the Bootstrap program. In addition, they are eligible for transitional child care assistance for two years and transitional Medicaid coverage for one year.[7] This is discussed in more detail below.

B. AFDC Program Flow

AFDC group members who were randomly assigned when applying for welfare and who were subject to employment and training participation mandates were referred to Project Inde-

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[4]Specifically, participants were assigned a 24-month time limit unless they (1) had received AFDC for at least 36 of the 60 months prior to enrollment or (2) were under age 24 and had no high school diploma and little or no recent work history.

[5]In some cases, people were assigned a 36-month time limit if they were under age 24, had no high school diploma, *or* had no recent work history.

[6]Participants were considered job-ready if they (1) had a high school diploma or equivalent and a literacy level of at least grade 10.9 and (2) had been employed for 12 months or more in the previous 24 months.

[7]FTP participants can receive transitional child care even if their earnings are not sufficient to cancel their cash grant, if they opt not to receive benefits. Transitional Medicaid coverage is available only to those whose grants are terminated due to earnings.

pendence staff for an orientation and the development of an employability plan. As in FTP, initial activity assignments in the traditional Project Independence program depended on the participant's job-readiness: those considered job-ready were usually assigned to job search activities

Employment and Training Activities

The main categories of activities are:

- **Job search.** FTP operates two group job search workshops (known as Employability Skills Workshops). One is a relatively brief "job-readiness" course for non-job-ready participants; this course does not stress actual job search. The other is designed for job-ready participants and includes a two-week classroom session focusing on job-seeking and job-holding skills and a two-week session in the local Jobs and Benefits office in which staff help participants actually look for jobs.* The traditional Project Independence program operates a single job club. Both programs also use individual job search, in which participants are required to make contact with a specific number of employers each week and report back to their career advisor.

- **Education.** Both FTP and traditional Project Independence assign some participants — typically those who lack a high school diploma or have very low literacy levels — to institutions in the community that provide remedial math and reading instruction and/or preparation for the General Educational Development (GED) certificate. In addition, DLES has contracted with a local junior college to develop and staff computerized learning labs in the FTP service centers. The labs, called Career Transition Centers (CTCs), allow students to work at their own pace; their proximity makes it easier for staff to monitor participants' activities. The CTCs have generally been available only to FTP participants. Although post-secondary education is not heavily stressed for members of either research group, some individuals who enroll in college on their own may have this activity approved by DLES.

- **Training.** Both programs refer participants to occupational training programs operated by junior colleges and other institutions. These programs provide classroom training in a particular occupational area. In addition, FTP has worked with local employers and training providers to establish special short-term training programs for FTP participants facing time limits. These programs are closely linked to particular industries or employers to ensure that the training is relevant and likely to lead to employment. In some cases, graduates of training programs move directly into on-the-job training (OJT) positions with the employers who helped design the training programs.** Training courses include machining, office supervision, and Certified Nurse Assistant courses.

- **Unpaid work experience.** Both FTP and traditional Project Independence place some participants in unpaid positions, usually with public or nonprofit agencies. However, the rules governing this activity differ. In the traditional program, a participant's required work hours are usually determined by dividing the amount of her grant by the hourly minimum wage. In FTP (where the activity is called Workfare), work hours are based on a determination of the participant's training needs. In addition, FTP has contracted with Escambia County to place a workfare coordinator on site in each FTP office.

*Jobs and Benefits maintains a computerized listing of job openings in the community.

**OJT programs provide private employers with a subsidy in return for hiring and training welfare recipients or members of other disadvantaged groups. Typically, the subsidy covers about one-half of the participant's wages for the first two to six months. After that, it is expected that the participant will move onto the employer's regular payroll.

initially, while not-job-ready participants were likely to begin with an education or training activity. The job-readiness criteria in the traditional program were more expansive than those used in FTP, and staff report that they resulted in a higher fraction of participants being considered

job-ready." Owing to funding shortages, DLES was unable to enroll new participants into Project Independence during certain periods. For ongoing recipients who were randomly assigned to the AFDC group at recertification, random assignment did not signal any particular change in their status. These individuals may or may not have been participating in employment-related activities at this point.

C. Services and Benefits Available After FTP

Clients who leave cash assistance do so for a variety of reasons. Some leave because they are no longer eligible, due to increased earnings or other changes to their financial circumstances. Others may be eligible for AFDC/TANF but decide to "opt out" of cash assistance, banking their months for a time when they need them most. Some individuals are sanctioned, which now closes the cash assistance case. Still others reach the time limit and are terminated from cash assistance. In many cases, individuals who leave AFDC/TANF remain eligible for other benefits, such as Food Stamps, Medicaid, child care, and Bootstrap services.

1. Food Stamps. The vast majority of individuals who are receiving cash assistance are also receiving Food Stamps. Welfare recipients who leave cash assistance for work often obtain relatively low-paying jobs and remain eligible for Food Stamps.

The process for getting Food Stamps after FTP is the same for those who leave for work as for those who are terminated from cash assistance. FTP participants are recertified for Food Stamps about every six months (although the exact period between recertification varies). Clients are required to show up in person for the recertification appointment, or the case is closed. When FTP participants leave cash assistance in the middle of a certification period, the FTP case manager will close the cash case and recalculate the Food Stamps benefit, which could increase the benefit level due to the loss of cash benefits (unless the participant is receiving the maximum benefit). The manager then transfers the case to an FTP public assistance specialist (PAS). Clients continue to receive benefits automatically until their next recertification with the assigned PAS.

As will be discussed in Chapter 5, about 30 percent of the FTP group (and 31 percent of the AFDC group) received neither AFDC/TANF nor Food Stamp payments and had no UI-reported earnings at the end of the three-year follow-up period. Some may have remained eligible for Food Stamps. According to staff, many clients simply miss their recertification appointments, which automatically closes the Food Stamps case. (In some cases a client may think incorrectly that the time limit applies to her Food Stamps case, as well as her cash assistance case, and as a result, may not show up for the Food Stamps recertification.) Staff report that some individuals call and ask their case manager to close all of their open cases. Some individuals probably moved to another state and may be receiving benefits in that state. Information from the 48-month survey will be analyzed for the final FTP report and should shed some light on whether the group that, according to Florida records, was not receiving AFDC/TANF and Food Stamps and had no earnings had other sources of income.

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[5]Participants were considered job-ready if they had been employed for at least 12 of the previous 24 months *or* if they had a high school diploma or equivalent.

In addition, some clients may have chosen not to register at the Jobs and Benefits office for a Food Stamps employment and training referral, which is a statewide requirement for all individuals whose youngest child is age six or older. Clients who fail to show for this appointment receive a Food Stamps sanction, and their entire Food Stamps allotment is canceled. However, according to FTP sanction data from February 1998 through June 1998, only about 1 percent of all FTP group members who left Food Stamps during this period did so because they did not meet their Food Stamps participation requirement.

2. Medicaid (regular and transitional). FTP clients are enrolled in the regular Medicaid program while they are on cash assistance.[7] As noted earlier, when they leave cash assistance for employment, they are eligible for transitional Medicaid benefits for 12 months (but only if they have been receiving cash assistance for three of the last six months).

Policy makers have been concerned about welfare recipients' eligibility in the Medicaid program after they have reached a time limit and are no longer automatically eligible. FTP does not require that families be on cash assistance to receive regular Medicaid. A family can receive Medicaid benefits as long as it meets the eligibility criteria using the regular AFDC-related income eligibility standards. However, individuals are required to come in for the recertification of their benefits after their cash assistance ends, similar to the Food Stamps process.

In order to retain Medicaid eligibility, while on cash assistance or off, clients must cooperate with the Child Support Enforcement agency. Otherwise, they can lose Medicaid eligibility for themselves (their children remain eligible). FTP referred fourteen individuals to be sanctioned for not cooperating with Child Support Enforcement during the first half of 1998, although almost all who were sanctioned came into compliance and did not lose their cash benefits (and, presumably, their Medicaid benefits, as well).

3. Transitional child care. Transitional child care payments are available for up to 24 months after recipients have left FTP, providing they are working at least 20 hours per week and have income below a certain level. In addition, they have to have been on AFDC/TANF for three of the last six months. (AFDC group members are eligible for 12 months of transitional child care.) All transitional child care recipients, like other parents who obtain subsidized child care in Florida, are assessed a child care fee based on their income. For example, in 1997, a family of three with no earnings would be required to pay $0.80 per day for full-time child care per child; this family would pay $1.60 per day of full-time child care if their annual gross income was between $6,491 and $9,735.

Clients who use up their two years of transitional benefits, or who leave cash assistance and have not started working within three months, may be able to receive subsidized child care from the working poor child care funding stream. Funding for the working poor is dependent on annual appropriations and has been limited in the past, although it is now sufficiently funded.

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[7] Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), TANF recipients are not automatically eligible for Medicaid.

4. Bootstrap. FTP participants who leave welfare for work are permitted to enroll in the Bootstrap program, which allows them to obtain continued education or training for two years after leaving cash assistance. Individuals who are eligible for cash assistance but who "opt not to receive direct assistance" are also eligible for Bootstrap services. Those who receive these services stay with their FTP case manager, even though they are no longer receiving cash assistance. Staff report that participants have not been requesting Bootstrap services, by and large, after leaving cash assistance. They speculated that it may be too difficult for single mothers to combine work and school.

5. EITC. Both FTP and AFDC group members are eligible for the federal Earned Income Tax Credit (EITC). The EITC is a refundable tax credit, meaning that if the credit owed to a working family is larger than the income tax the family owes, the family will receive a check from the government for the difference. Families with two or more children who earn between $9,140 and $11,930 could get the maximum tax credit of $3,656 (for 1997). The credit is reduced for those working families who make more than this amount, and it is phased out completely for working families with two or more children who make at least $29,290.[10]

FTP staff often informed their clients of this benefit. Results from a four-year survey to be presented in the FTP final report will determine whether FTP group members are more likely to receive this benefit than members of the AFDC group.

IV. The Key Differences Between FTP and Traditional AFDC

Chapter 5 will describe the Family Transition Program's impacts by comparing the welfare receipt and employment patterns of FTP and AFDC group members. In order to interpret these results, it is useful first to understand how FTP operates and, specifically, the ways in which FTP group members' experiences differ from the AFDC group members' experiences. This section presents information on key differences between the two programs: the message that FTP group members heard, the enhanced services (including enhanced case management), and the financial work incentives. While there are other differences in the two policies, which were described earlier, this section focuses on three key changes that occurred in terms of the message to recipients, case management, and work incentives.

A. The Message

The FTP group members heard a message that welfare is temporary and that the limited time on welfare should be used wisely. Findings from the two-year client survey were presented in the 1998 FTP report and suggest that FTP has been quite successful in informing participants about the time limit.[11] When asked whether they were subject to a time limit (or, for those not currently receiving welfare, whether they had been subject to a time limit when they were receiving welfare), 88 percent of FTP group members said they were subject to a time limit, 8 per-

[10] Porter et al., Center for Budget and Policy Priorities, 1998.

[11] The survey sample was administered to FTP and AFDC group members randomly assigned from December 1994 to February 1995 — about two years after their random assignment date.

cent said they were not, and 5 percent said they did not know.[12] Almost all who said they were not subject to a time limit were not currently receiving welfare; these individuals may have left welfare long ago and forgotten about the time limit.

At the same time, FTP's message during this period did not necessarily focus on leaving welfare quickly in order to "bank" or "save" the months remaining under the time limit. Nearly 80 percent of FTP group respondents agreed or agreed a lot that staff urged them to get education or training to improve their skills compared to 51 percent of the AFDC group. At the same time, almost two-thirds of the FTP respondents felt that the staff also urged them to move off welfare quickly, although this message seems to have been tempered by an emphasis on job quality: Only 39 percent agreed that staff pushed them to work before they felt ready or before a good job came along.

Results on participation from the two-year client survey support these findings. The analysis found that FTP group members were much more likely than their counterparts in the AFDC group to report that they had participated in an employment-related activity. As Table 2.1 shows, 72 percent of FTP group members and 45 percent of AFDC group members reported that they had participated in at least one activity. FTP increased participation in basic education by 10 percentage points and vocational education by 9 percentage points. The data also show that FTP increased job search participation by 21 percentage points.[13]

Interestingly, nearly 29 percent of AFDC group members who responded to the two-year client survey said they were subject to a time limit. However, one-fourth of this group did not know how long the limit was. Data from this evaluation and from focus groups with clients in several states suggest that most welfare recipients are not strongly influenced by a time limit until they near the end.[14] Nevertheless, the fact that some AFDC group members believe they are subject to a time limit means that the impact analysis may understate the potential effect of FTP. In other words, because the behavior of some AFDC group members may have been affected by their perception that they are subject to a time limit, the differences in outcomes between the groups reported in Chapter 5 might have been larger — particularly during the pre-time-limit period — if all AFDC group members understood that they are not subject to a time limit.

The impact analysis may also understate the potential effect of FTP if group members are skeptical that their benefits will be terminated at the limit. The time limit may not strongly motivate them to move toward self-sufficiency during the pre-time-limit period. Survey data show that just under half of the FTP group respondents believed that "nearly everyone" who reaches the time limit has her benefits canceled, while just over 40 percent believed that "only some" of those who reach the limit are cut off. Respondents who had heard about someone whose benefits were canceled were much more likely to believe that nearly everyone who reaches the limit loses her grant. However — perhaps because only a small number of people had reached the time limit

[12]This question was asked only of respondents who reported that they had ever received welfare since their random assignment date — about 80 percent of all respondents.

[13]The asterisks in Table 2.1 represent levels of statistical significance, as explained more fully in Chapter 5.

[14]Brown, Bloom, and Butler, 1997.

Table 2.1

Florida's Family Transition Program

Rates of Participation in Employment-Related Activities (Self-Reported) Among Two-Year Client Survey Respondents, by Research Group

Activity Measure (%)	FTP Group	AFDC Group	Difference
Ever participated in any employment-related activity excluding assessment	72.2	44.7	27.5 ***
Ever participated in any job search activity	47.7	27.1	20.6 ***
Group job search/job club	33.6	13.0	20.6 ***
Individual job search	36.5	23.3	13.3 ***
Ever participated in any education activity	50.8	29.0	21.9 ***
Basic education[a]	19.7	9.9	9.8 ***
Post-secondary education[b]	19.1	14.8	4.3
Vocational education[c]	17.0	8.3	8.8 ***
Other education	3.9	2.7	1.3
Ever worked in an unpaid job	13.3	6.6	6.7 ***
Ever participated in on-the-job training	9.6	2.7	6.9 ***
Ever participated in both any job search activity and any education activity	27.8	12.1	15.7 ***
Ever participated in any employment-related activity or was employed	94.9	87.5	7.4 ***
Sample size	299	304	

SOURCE: MDRC calculations from the FTP two-year client survey.

NOTES: Survey respondents were interviewed between the twenty-fifth and the thirty-first month after random assignment. (On average they were interviewed during the twenty-seventh month after random assignment.)

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Basic education refers to any participation in Adult Basic Education (ABE), high school, English as a Second Language (ESL), or General Educational Development (GED) types of activities.

[b]Post-secondary education is defined as courses for college credit at a two-year or four-year college.

[c]Vocational education is defined as training for a specific job, trade, or occupation that does not lead to college credit. It does not include on-the-job training or unpaid work experience.

when the survey was administered — only about one-fifth of survey respondents said they had heard about or knew someone whose benefits had been canceled.[14]

This suggests that those enrolled in the FTP program later, who may be more likely to know someone whose benefits have been canceled, may be more likely to believe that their benefits will be terminated at the time limit. This report focuses on the group enrolled in the first 10 months of the program, not on the group randomly assigned later in the program.

B. Enhanced Case Management and Services

As noted in Chapter 1, among the key features of the FTP program are the enhanced case management and employment and training services available to FTP clients.

1. Enhanced case management. On a survey administered to staff members in 1996, FTP staff reported much more frequent contact with their clients than did AFDC workers. Moreover, issues related to self-sufficiency, rather than just income maintenance, were more likely to be addressed in these encounters. Responses from the two-year client survey showed that a large majority of FTP group members felt that program staff gave them individual attention and were sincerely interested in helping them. Several factors help explain these findings. FTP case managers have smaller caseloads than do traditional eligibility workers, which allows them to devote more time to their caseload. They also have expanded responsibilities which include helping recipients develop and implement their self-sufficiency plans. In addition, their performance in providing clients with sufficient services is evaluated more frequently by their supervisors and by the citizen Review Panel (which is discussed in more detail in Chapter 3).

The low client-to-staff ratios in FTP and the close linkages between career advisors and case managers increase the monitoring and enforcement of participation requirements in FTP. FTP participants are much more likely to be sanctioned. Data collected from program casefiles in 1996 indicated that 31 percent of FTP group members were sanctioned within 18 months after random assignment. The comparable figure for the AFDC group was 7 percent. Data collected in the summer of 1997, covering a slightly longer follow-up period and a somewhat different group of people, showed quite similar sanctioning rates: 34 percent for the FTP group and 11 percent of the AFDC group.

2. Enhanced services. In addition to the core employment services discussed above, FTP has developed enhanced assessment capabilities. Both FTP and traditional Project Independence refer some participants for vocational assessments to identify their aptitudes and interests; these data help in designing the employability plan. But FTP has used program funds to ensure that a broader range of assessment options are available, particularly for participants facing serious barriers to employment. These include psychosocial assessments provided by a local mental health facility. FTP's funding ensures that assessment slots are available without prolonged waiting periods.

[14] The survey was conducted during early to mid-1997.

FTP participants also have access to special workshops and a variety of social and health services. The workshops include a two-week course called Survival Skills for Women, stressing life skills, self-esteem, and other issues — and a separate course in parenting skills. Other services include subsidized child care,[15] payments for transportation and other work-related expenses, mental health counseling, and health services provided by the on-site nurse.

Many of the services available to FTP participants are theoretically available to the AFDC group as well. However, because FTP has a relatively generous dedicated funding stream, the program has been able to purchase program slots or staff positions in other agencies to ensure that its participants have ready access to services without having to wait.

C. Financial Work Incentives

As discussed in Chapter 1, under FTP the state disregards (that is, does not count) the first $200 plus one-half of any remaining earnings in calculating the family monthly grant. This policy is intended in part to improve job retention and the financial well-being of recipients who go to work, but it is also intended to motivate people to go to work in the first place by persuading them that working would improve their financial situation. The financial work incentives may increase welfare receipt in the short run because they allow some FTP group members — who would have worked anyway, and would have been ineligible for cash assistance — to remain on welfare. As a result, this policy may keep individuals on AFDC/TANF longer, which could mean that they reach the time limit sooner.

As will be shown in Chapter 5, the FTP program generally did not increase welfare receipt in the first two years of follow-up. This suggests that some other aspect of the FTP program (such as knowledge of the time limit and the enhanced case management and services) may have spurred some FTP group members to leave welfare more quickly, thus mitigating the effects of the work incentives.

V. Changes in FTP over Time

Like many pilot projects, FTP has changed considerably during its operational life. Although the program's rules have remained largely constant, its services and message have not. Thus, the program that members of the report sample experienced changed over time, if they stayed on welfare for two to three years.

A. Intensive Services

The program that enrollees received early in the first year of FTP may have been less intensive than the program FTP participants received later (participants who were on welfare longer or who enrolled later). Initially, there were delays in implementing several of FTP's enriched features. These start-up issues particularly affected the program's ability to deliver enhanced employment and training services to FTP report sample members; many of these participants did not move

[15] Child care is available to both groups, but an on-site staff person assists FTP participants in locating care. In addition, FTP had more funding available, at least in the first few years of the program.

quickly into activities after they were randomly assigned. However, they did receive the enhanced services if they continued to receive cash assistance after this start-up period.

B. Time-Limit Message

The early enrollees heard FTP's time-limit message during a period before anyone had actually reached the limit, and, as discussed earlier, staff reported that some participants expressed skepticism that families' benefits would actually be terminated when they reached the time limit. The later FTP enrollees may have a greater awareness of the time limit, having heard of or known individuals whose benefits have been canceled, and having heard or read about the implementation of WAGES statewide. However, the AFDC group that enrolled later was probably exposed to this news and may have been affected by the time-limit message, as well.

C. Sanctioning Policy

While FTP was a highly mandatory program from the beginning, FTP took steps to toughen the sanctioning policy later in the program. Initially, there were procedural changes designed to hasten the implementation of the sanction after noncompliance was confirmed. Then, in mid-1997, FTP adopted the WAGES sanctioning policy, which involves cancellation of the entire cash grant and Food Stamp allotment in response to repeated noncompliance.[16]

Prior to 1997, the penalty for noncompliance was the removal of the mandatory client's needs from the cash grant. For example, if the case consisted of a mandatory parent with two children, and the parent failed to participate in FTP, the cash grant was reduced so that only the two children were covered. Federal guidelines determined the length of time that the sanction was in effect: The first time a client was noncompliant, the sanction was lifted as soon as the client complied; the second time a client was noncompliant, the sanction was in effect for a minimum of three months; the third time resulted in a minimum sanction of six months.

The WAGES full-family sanctioning policy cancels the entire cash grant. Under this policy, the first time a client is noncompliant, the sanction closes the cash assistance case until the client complies; the second occurrence of noncompliance closes both the cash assistance and Food Stamps case, until the client complies for 30 days; the third time, the sanction closes the cash and Food Stamps case for at least three months; when the client complies for 10 work days, she may reapply for benefits.

This WAGES policy includes a somewhat unusual provision. It sanctions the entire household's benefits but then requires that clients with children under the age of 16 apply for cash and Food Stamp benefits for their children, paid to a protective payee (a nonprofit organization that approves all spending for the children). If the client chooses not to apply for the children, the case manager is required to refer the case to Protective Services, which will complete an assessment to ensure that the children's needs are being met.

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[16]It is important to note that this "tougher" sanctioning policy applies to the traditional AFDC group as well. However, data collected prior to the implementation of this policy found that FTP group members were substantially more likely to be sanctioned than the AFDC group.

Also, prior to 1997, both FTP case managers and career advisors could initiate the sanctioning process, and both could determine whether the client had "good cause" for not meeting the participation requirement. The new policy requires FTP workers to impose all sanctions requested by career advisors within 10 days of the request. Also, the career advisors have sole discretion in determining whether a client had "good cause" for not complying, thereby canceling the sanction.

An analysis was conducted of sanctions imposed between February 1998 and June 1998. Of all FTP group members who were referred for an FTP sanction during this period, an estimated 44 percent lost their entire cash grant for at least one month. Another estimated 19 percent were sanctioned but received benefits for their children (probably through a protective payee arrangement) for at least one month. The remaining 37 percent were sanctioned but came into compliance and did not lose their benefits.

A full-family sanction will stop the client's time-limit clock. FTP group members who leave welfare before the time limit may not have left voluntarily but may have been sanctioned for noncompliance. Of all FTP group members who left cash assistance for at least one month between February 1998 and June 1998, an estimated 11 percent left because of a full-family sanction. Only 1 percent of those who left cash assistance during this period received a second sanction, which closed both their AFDC and Food Stamps case. It is important to note that this is a new sanctioning policy that went into effect two and a half to three years after the report sample enrolled in FTP.[17]

D. Program Emphasis

The program emphasis also changed. In 1994 and most of 1995, FTP emphasized longer-term skill-building activities to fulfill clients' self-sufficiency plans. Toward the end of 1995, staff were urged to place a stronger emphasis on job search and job placement activities. This does not mean that FTP abandoned its emphasis on education and training; rather, staff were encouraged to focus on shorter training programs, to sell the benefits of quick employment, and to make somewhat greater use of job search activities and workfare. Also, some staff began to encourage participants to leave welfare and try to "save" or "bank" their remaining months, rather than using the time to build their skills.

[17] About half of those who were sanctioned during February 1998 and June 1998 were in the report sample. Only 1 percent of the report sample received a full-family sanction during this period (although others could have received one between mid-1997 and January 1998).

Chapter 3

The FTP Time Limit

This chapter discusses the process that occurs when clients approach and reach FTP's time limit on cash assistance. It also updates information presented in MDRC's 1997 and 1998 reports with new information on how many people are using up the months of welfare allotted to them and what happens to individuals who reached the time limit. Chapter 4 presents more detailed information for a subset of the sample who reached the time limit and looks six months beyond the point when their benefits were terminated to gain a better understanding of their changing economic circumstances and how they are coping with the loss of cash assistance.

Section I presents information on how quickly FTP group members are using up their months of benefits, and Section II gives an overview of the time-limit review process that occurs six months before FTP participants reach the end. Sections III and IV present information on how many people have reached the time limit as of June 1998 and who they are. The final section presents preliminary information on the average earnings and welfare receipt of those individuals whose benefits were terminated, before and after benefits were canceled.

The data for this chapter are from Florida's computerized administrative records, the FTP case management system, other FTP program records, MDRC field research completed in the summers of 1997 and 1998, telephone interviews with Review Panel members conducted in November 1998, and numerous discussions with staff.

To summarize the findings, most FTP participants have not yet received the number of months of AFDC/TANF benefits allotted to them, although participants in the group assigned the 36-month time limit are accumulating months of benefits at a faster rate than are the 24-month group. Individuals assigned the 36-month time limit are more likely to receive an exemption, usually for medical reasons, which stops their clock, often temporarily. Nevertheless, a higher percentage of individuals assigned a 36-month time limit are reaching the time limit.

FTP's policies include provisions for extensions, partial benefit cancellations, and state-supported work opportunities when participants reach the time limit. FTP has developed a multi-step review process to determine when these safeguards should apply. This process includes initial meetings among staff, hearings by the citizen Review Panel, a review by a child welfare worker to determine whether the children's portion of the grant should be continued, and a final review by the District Administrator of the local Department of Children and Families.

In practice, few cases have met the criteria for any of these special provisions. Extensions are intended for participants who comply with FTP's mandates but encounter "extraordinary difficulties in obtaining employment." A small number of extensions have been granted, primarily because few clients have requested an extension. According to results from a staff survey presented in the 1997 report, most staff did not discuss extensions with participants. In addition, most clients approaching the time limit without jobs are deemed to be noncompliant by the program staff and Review Panel, making it highly unlikely they will receive an extension.

If a compliant participant reaches the time limit without a job, FTP promises to provide her with a public or private work opportunity. The vast majority of those who are deemed to be compliant, and thus eligible for a public job, leave AFDC/TANF before reaching the time limit. Those who reach the time limit and are compliant tend to be employed when their benefits are terminated and, therefore, do not require one of these publicly supported work opportunities.

In a few cases, the child welfare review determined that full cancellation would place the children at risk of foster care placement, and benefits have been assigned to a third party (a non-profit agency) that is responsible for the children's needs.

On average, group members who reached the time limit had higher earnings during the period immediately after their benefits were canceled. However, these increases did not offset the loss of their cash assistance; overall, their income fell by 20 percent.

I. How Quickly Are Participants Reaching the Time Limit?

A. Group Assigned a 24-Month Time Limit

The top panel of Figure 3.1 illustrates how quickly people with a 24-month time limit accumulated 24 months of AFDC/TANF.[1] It focuses on the report sample — people randomly assigned between May 1994 and February 1995. For this sample, 42 months of AFDC/TANF follow-up data are available.[2] The top line represents the percentage of FTP participants in the 24-month group who had accumulated at least 24 months of AFDC/TANF after random assignment, by the number of months that elapsed since random assignment. This figure shows that only 8 percent of the report sample members with a 24-month time limit received 24 continuous months of welfare after entering FTP. After 25 months of follow-up, 10 percent of the sample received at least 24 months of welfare, indicating that 2 percent of this group had left welfare for one month

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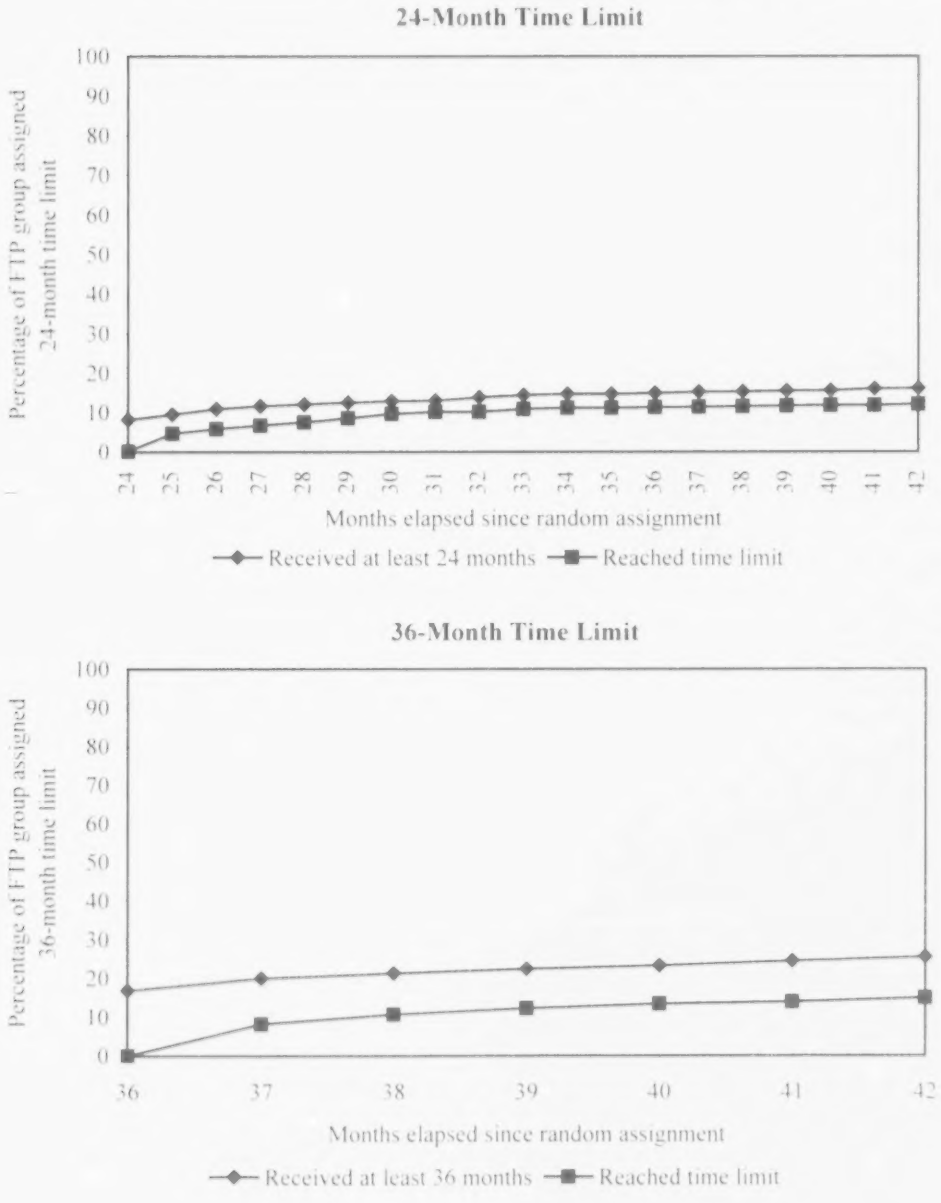
[1]For all analyses in this chapter, the AFDC/TANF data differ slightly from the data presented in Chapter 5. Both rely on AFDC/TANF payment data from Florida's computerized public assistance benefits system (known as the FLORIDA System). This chapter classifies payment data to mirror the method the state uses to classify months of benefits counting toward the time limit. The impact analysis in Chapter 5 classifies the payment data in a way that ensures an unbiased estimate of impacts. The payment data used in this chapter follow the sample members, even when they move to other cases, assuming they are the payees on the case. For the impact analysis in Chapter 5, the payment data include all payments made to the cases that the sample members were on at random assignment. In addition, this chapter classifies each payment by the service date (or effective date); Chapter 5 uses the date when the check was disbursed. Finally, the FTP and AFDC group estimates in Chapter 5 have been regression-adjusted to increase the precision of the impact estimates and to control for any differences in the two groups' background socioeconomic characteristics remaining after randomization. Such adjustment is not necessary for this chapter, because it does not compare the welfare receipt of the FTP group with that of the AFDC group.

[2]Chapter 5 presents information on three years of follow-up for this sample. The analysis presented in this section includes additional months of welfare receipt because it begins with the month of random assignment; the analysis presented in Chapter 5 begins with the first *full quarter* of welfare receipt after random assignment (which begins one to three months after random assignment). The analysis in this section also includes longer follow-up (through July 1998, for those randomly assigned in February 1995). Chapter 5 includes follow-up through March 1998, the last date for which quarterly earnings data are available.

Figure 3.1

Florida's Family Transition Program

Percentage of the FTP Report Sample Who Received at Least 24 or 36 Months of AFDC/TANF and Percentage Who Reached the Time Limit, by Number of Months Elapsed Since Random Assignment



SOURCE: MDRC calculations from Florida AFDC records and FTP data.

before returning. Sixteen percent of the report sample received at least 24 months of benefits within 42 months after enrolling in FTP.

This means that the vast majority of the group assigned a 24-month time limit still had months left on the clock 42 months after random assignment. Also, the fairly flat slope implies that most people with a 24-month time limit who left welfare did not return to welfare and use up their remaining months. External forces, such as the strong economy, no doubt contributed to the low numbers of former recipients who are returning to the welfare rolls, although the FTP program (for example, the enhanced services and the time limit) may have also contributed.

The bottom line of the top panel in Figure 3.1 shows the percentage of the 24-month sample who reached the time limit. By month 42, 12 percent of this group reached the time limit. The difference between the two lines represents the percentage who received 24 months of cash assistance but did not receive 24 *countable* months of benefits; they probably were exempted for some of their months on AFDC/TANF or moved to areas that did not operate FTP. This is discussed further in Section III. As represented by the closeness of the two lines, most individuals (75 percent) who received 24 months of benefits by the end of follow-up reached the time limit.

B. Group Assigned a 36-Month Time Limit

The bottom panel of Figure 3.1 presents similar information for the report sample members assigned the 36-month time limit. In this figure, the top line represents the percentage who had received at least 36 months of AFDC/TANF after random assignment. About 17 percent of this group received 36 continuous months of cash assistance. By month 42, their proportion climbed to 26 percent.

As represented by the bottom line in Figure 3.1, 15 percent of the 36-month group reached the time limit by month 42. This means that 58 percent of those who received 36 months of benefits within this period reached the time limit; the remaining 42 percent did not receive 36 countable months of cash assistance. Staff confirmed that the group assigned the 36-month time limit faced greater obstacles and were more likely to receive exemptions than were individuals who were assigned a 24-month time limit. Still, participants subject to the 36-month time limit are accumulating months of benefits more quickly and are more likely to reach the time limit than are individuals in the 24-month group.

C. Full Report Sample

It is useful to know how the time limit may be affecting the three-year impacts on welfare receipt presented in Chapter 5 for the report sample. Approximately 7 percent of the FTP group members in the report sample (with a 24-month or 36-month time limit) reached the time limit by quarter 11 and received their last month of AFDC/TANF in quarter 11 (not shown in figure). As will be discussed in Chapter 5, FTP reduced the receipt of AFDC/TANF by 9 percentage points in quarter 12, which may be driven partly by the fact that 7 percent of FTP group members reached the time limit and, for the most part, were not on cash assistance by quarter 12.[3] In quar-

[3] A small percentage who received a protective payee when they reached the time limit would still be receiving benefits through a third party.

ter 12, another 5 percent of the FTP group members reached the time limit (individuals with a 36-month time limit began reaching the time limit at that point). Thus, one expects the impacts on AFDC/TANF receipt to be sustained, and perhaps grow, after three years.

II. Overview of the Time-Limit Review Process

FTP's time-limit policy is a product of Florida's Family Transition Act of 1993, the FTP waiver, and the rules and regulations developed to implement them. The policy includes provisions for extensions, state-supported work opportunities, and protective payee arrangements for certain recipients who reach the time limit. Briefly, participants who are deemed to be "compliant" (i.e., who are meeting their obligations in the program) are eligible for the extensions and state-supported work opportunities.[4] Those who are deemed to be "noncompliant" may receive benefits for their children through a third party (a protective payee), when the termination of benefits would place the children at risk of foster care placement. Finally, some participants may receive an exemption, generally for medical reasons, from the time limit.

In order to carry out these provisions, FTP developed a multi-step review process that includes a determination of a client's compliance status.

A. How Is Compliance Determined?

While participants' compliance is considered at various points during their time in FTP, this section focuses attention on the compliance decision that takes place about six months before a participant reaches the time limit. This decision determines which track the participant will follow during her remaining time in FTP. Although FTP has no written definition of compliance, common practices have emerged and are discussed in this section.

The first step in determining noncompliance begins with a referral to the citizen Review Panel. The Review Panel was established in the Family Transition Act to review the Department of Children and Families' delivery of FTP services and the progress of participants. The Review Panel was conceived as a group of seven members of the community, including a member of the local Health and Human Services Board, a member of the Escarosa Workforce Development Board,[5] a participant or former participant in FTP, two members of the local business community, and one member at large — all who serve without pay. As discussed in MDRC's 1997 report, having one member from each of the groups sit on each panel is extremely difficult, and occasionally only four or five members are present. Some panels are held with as few as two members.

1. Referral to the Review Panel. The Family Transition Act stipulates that participants who are failing to meet FTP requirements must be sent to the Review Panel at least every

[4]All participants are given the opportunity to request an extension from the Review Panel. However, the request is unlikely to be supported by the staff or the panel if the participant has not met the requirements of her employability plan.

[5]Representation by the Escarosa Workforce Development Board replaced that of the Private Industry Council (PIC), after the PIC disbanded in Escambia County.

nine months. Each FTP case manager/career advisor team meets frequently to evaluate the compliance of clients on their caseload and their progress in the program. In addition, they meet monthly with their supervisors and staff from partner agencies to discuss the specific participants who are failing to meet their obligations in the program or are not progressing in their employability plan and to decide which cases should be sent to the citizen Review Panel. FTP refers to the monthly meetings as "pre-staffings."

Staff report that they refer a participant to the Review Panel for two possible reasons: (1) not cooperating with FTP's requirement or (2), if she cooperated, not making sufficient progress in her assigned activity. Most staff consider participants who are not employed six months prior to the time limit to be making insufficient progress, unless they are in a training program that will likely result in a job offer before they reach the time limit. Staff remarked that a participant who is employed but is not working in a steady job could also be referred to the Review Panel.

Staff offered several reasons for sending cases that may be compliant, but not progressing, to the panel. First, the formal Review Panel proceedings can serve as a "wake-up call" to participants, giving them notice that the end of their time on cash assistance is approaching. Second, the panel reviews the sufficiency of FTP's efforts to assist the participant. This review may, in fact, motivate staff members to make sure that all FTP participants receive the services they need. If the Review Panel determines that a participant was overlooked, they could offer her an extension. Finally, staff are held accountable if they decide not to send a case to the panel and the individual is not working in a job that pays at least as much as the standard welfare grant for her family size plus $90 per month at the time limit (the common shorthand for this level of employment is "grant + $90"). Therefore, FTP staff will send cases to the Review Panel that they project may not be grant + $90 at the end.

To illustrate this process, MDRC reviewed the FTP records of all FTP single-parent participants who came within six months of reaching the time limit between July 1997 and December 1997. Figure 3.2 shows that 74 sample members reached this six-month point during this period.[6] Of these 74 participants, 28 were working, and 46 were not working at the point when staff had to make a final decision regarding who should be referred to the Review Panel.[7] As shown in the figure, staff referred a large majority of the group not employed (89 percent) to the Review Panel, but referred less than one-third of the employed individuals. Figure 3.2 confirms that almost all participants who were not employed were sent to the Review Panel, as were some who were employed.

Of the five who were not employed and not referred to the panel, FTP staff anticipated that three participants would be employed by the time they reached their time limits: One partici-

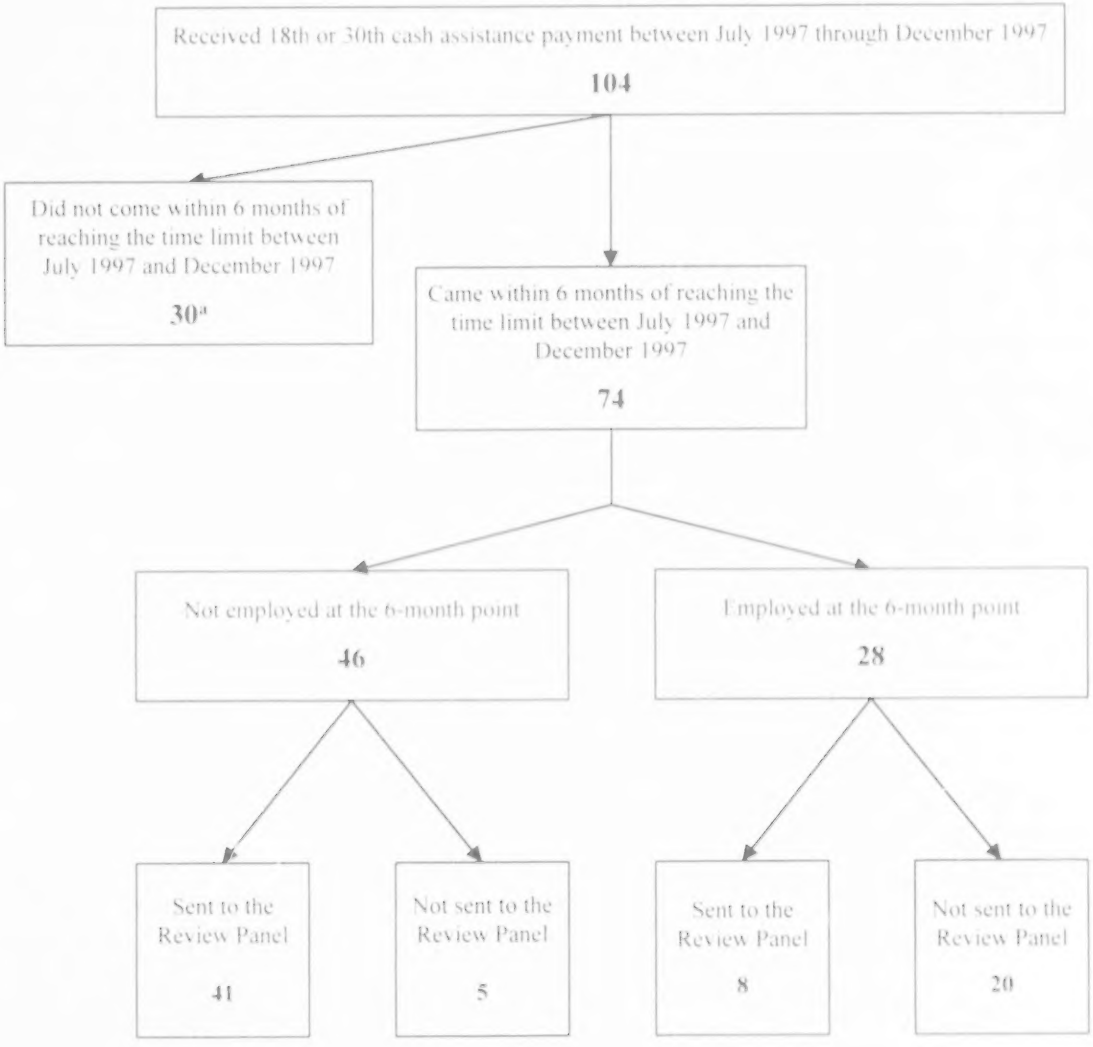
[6]This includes those with a 24-month time limit who received their 18th countable month of AFDC/TANF receipt and those with a 36-month time limit who received their 30th countable month during this period. As Figure 3.2 shows, another 30 individuals received 18 or 30 actual months of payments, but some of their months did not count toward the time limit — that is, they had more than six months left on their clock. The reasons for this are discussed in Section III.

[7]The employment status reported in this section represents only employment that the FTP program knew about.

Figure 3.2

Florida's Family Transition Program

Status of Single-Parent FTP Group Members Who Came Within Six Months of Reaching the Time Limit Between July 1997 and December 1997


Received 18th or 30th cash assistance payment between July 1997 through December 1997
104
Did not come within 6 months of reaching the time limit between July 1997 and December 1997
30[a]
Came within 6 months of reaching the time limit between July 1997 and December 1997
74
Not employed at the 6-month point
46
Employed at the 6-month point
28
Sent to the Review Panel
41
Not sent to the Review Panel
5
Sent to the Review Panel
8
Not sent to the Review Panel
20

SOURCE: MDRC calculations from FTP Review Panel summaries and FTP program records.

NOTES: The employment status reported in this figure represents only employment that the FTP program knew about.

[a]These individuals did not come within six mont' . of reaching the time limit because some of their months of benefit receipt did not count toward the time limit.

pant was completing a training program; one participant, who had a 36-month time limit, had a good employment history while enrolled in FTP but lost her job around her thirtieth month; and one participant had a training certificate and was considered employable. Another participant left AFDC/TANF around the time she would have been referred. The remaining participant had been working hard and was compliant, but her very low test scores led staff to assess that she needed specialized help. FTP decided not to refer her to the Review Panel but assigned her to a special program that would help her find employment (she was also given a four-month extension).

2. The role of the Review Panel. MDRC staff interviewed some of the more active members of the Review Panel to learn about their process.[8] FTP holds about four days of hearings per month. Each hearing is scheduled to last a half hour, during which the panel reviews a summary prepared by FTP staff of all activities assigned to the participant, as well as the outcomes. FTP staff encourage participants to attend their Review Panel hearings, although most participants choose not to attend (when asked to estimate the percentage of hearings that participants attended, the Review Panel members gave estimates ranging from 10 percent to 30 percent). The participant's FTP case manager and career advisor are required to attend and respond to any panel member's questions. If the participant is present, she is included in the discussions.

The Review Panel members who were interviewed mentioned four primary responsibilities:

- **Ensure that the clients receive the necessary services from FTP.** The Review Panel is charged with reviewing "the department's efforts to meet its responsibilities under the program." If the panel determines that FTP is not providing sufficient services, then the time limit can be extended.

- **Offer recommendations to clients and FTP staff.** Panel members stressed their role in advising clients on how they should spend their remaining time in FTP and advising the case managers and career advisors on the services that should be offered to the clients during the last six months. One panel member noted that the recommendations reflect the diversity of the Review Panel. A panel member who is an educator may focus on the activities that might be appropriate given the client's test scores and prior education. A member from the medical community may focus on the psychosocial evaluation results to inform the recommendations. This process is complicated by the fact that it is not easy getting the relevant information from clients that could help the panel members understand the clients' situations better. As one panel member said: "They [clients] are having such a hard time. A big part [of the problem] is that the client is not telling the whole truth, and won't if the panel is there."

- **Make determinations on the clients' compliance with FTP.** Review Panel members stated that most clients who are referred to the panel are not complying with FTP requirements. One member mentioned, however, that everyone was "technically noncompliant," given that clients are assigned many ac-

[8]A total 10 Review Panel members were interviewed in the fall of 1998.

tivities and appointments and that it is very easy to miss a few scheduled appointments. Another panel member estimated: "About 95 percent to 98 percent of the clients we see are noncompliant. We have some that aren't completely noncompliant, and are in to see the Review Panel to request other services [extensions]." Some Review Panel members assume that clients would not be at the hearing if they were compliant.

- **Offer recommendation on termination of cash benefits.** Most Review Panel members said that they make recommendations to the District Administrator regarding whether a client should be terminated from cash assistance at the time limit. A few did not believe this to be the Review Panel's responsibility.

3. Compliance decision. If a participant has not been sent to the Review Panel, she is considered to be compliant by the program. If she has been referred to the Review Panel six months before reaching the time limit, then the panel may or may not recommend that benefits be terminated. In virtually all cases, however, the Review Panel finds the client noncompliant and recommends the termination of benefits. FTP staff report that in a few situations, the Review Panel has found the client to be essentially compliant and has sent the case back to FTP without a recommendation that benefits be terminated.

Of the 49 participants who were referred to the Review Panel between July 1997 and December 1997, most were considered to be noncompliant by FTP staff. Most noncompliant participants missed many scheduled FTP activities; many had been sanctioned at some point in the past. The few who were compliant but not progressing were determined to be noncompliant by the Review Panel. In some cases, the clients were described as "mostly compliant" or "marginally compliant" in the Review Panel summaries, although the panel did recommend that benefits be terminated. One reason offered in the summaries was that the client had "not made maximum use of the services available."

B. Two Tracks

Figure 3.3 is a simplified depiction of the two tracks that clients follow after the compliance determination is made. This section discusses the compliant and the noncompliant tracks, followed by a discussion of the transitional job development services, which both compliant and noncompliant clients may receive, although compliant clients are given preference.

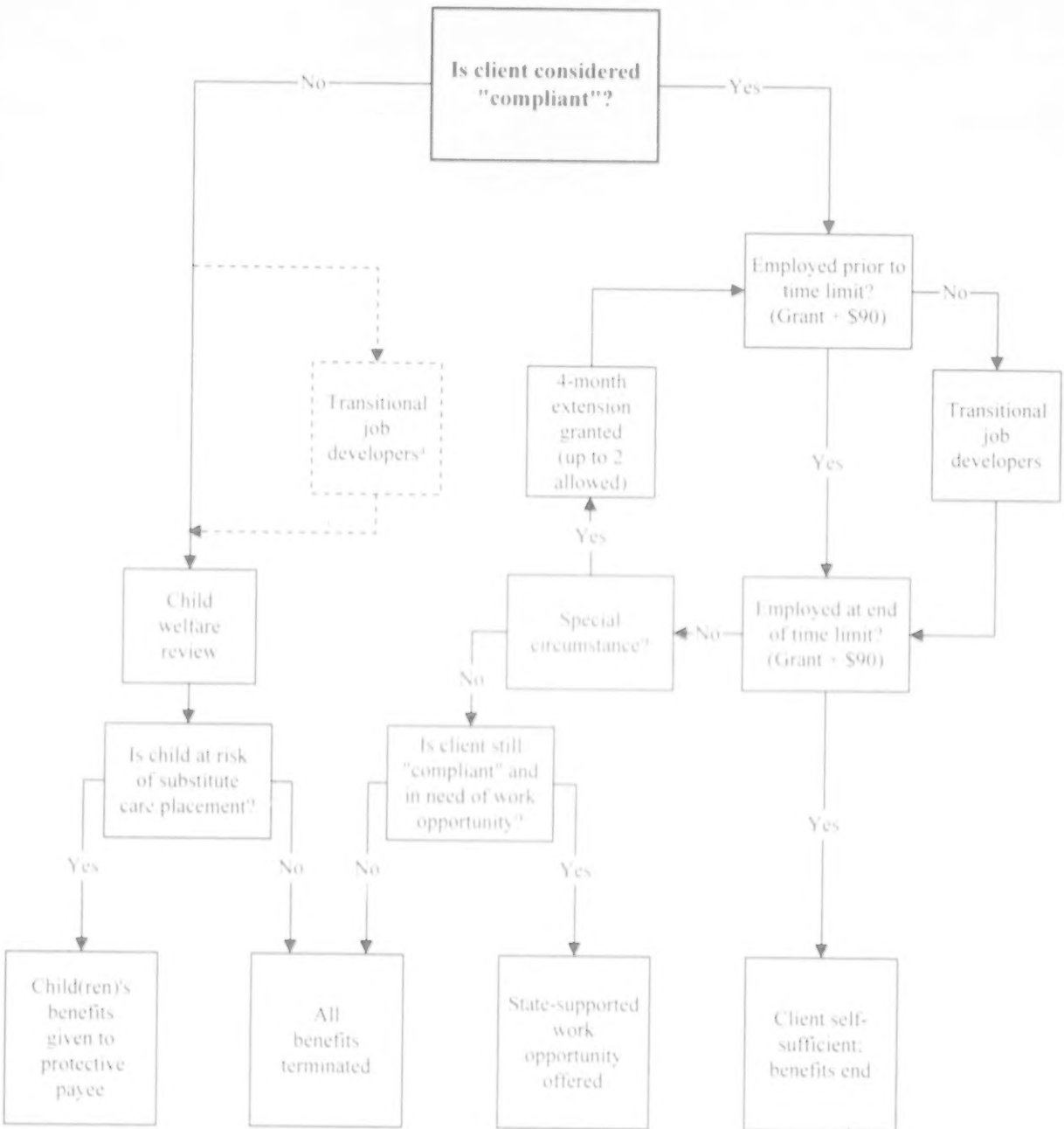
1. Compliant track. As Figure 3.3 shows, those who are deemed compliant are eligible for four-month extensions and state-supported work opportunities, if not employed and still compliant at the end of the time limit.

The Family Transition Program offers a maximum of two time-limit extensions of up to four months each to clients who have "substantially met the requirements of their self-sufficiency plans and have encountered extraordinary difficulties in obtaining employment." The Review Panel considers all applications for extensions, which may be submitted by FTP staff or FTP participants, and issues a recommendation about whether the extension should be granted. Ultimately, all extensions must be approved by the District Administrator.

Figure 3.3

Florida's Family Transition Program

Simplified Illustration of the Process for Participants After Compliance Status Is Determined



NOTE: [a]Often, noncompliant participants are referred to transitional job developers for job assistance during the last six months of benefits before the time limit, although this service was originally reserved for compliant participants.

If, despite the best efforts of FTP, a compliant participant reaches the time limit without a job that pays grant + $90, FTP is obligated to provide that participant with a state-supported work opportunity, which could be in either the private sector or the public sector.

2. Noncompliant track. Those who are deemed noncompliant are highly unlikely to receive an extension and are not eligible for a state-supported job. Once the Review Panel recommends terminating a participant, the case is referred to the Child Welfare Services agency. If this agency determines that full cancellation of cash benefits would place the children at risk of entering substitute care (an emergency shelter or foster care), the children's portion of the grant is retained and diverted to a third-party protective payee.

To make this determination, the child welfare worker reviews the Florida Abuse Hotline Information System to find out whether there are abuse or neglect reports and also reviews material provided by FTP. It is important to emphasize that, in making a determination, the child welfare worker looks solely at whether children are in danger of being placed into substitute care *as a result of the cash grant being terminated*. A child may be at risk of entering substitute care, but if this risk is deemed independent of the termination of benefits, the child welfare worker would not recommend that a protective payee be assigned.

The District Administrator of the Department of Children and Families is responsible for determining whether to remove the parent's needs from the AFDC/TANF grant and assign a protective payee or cancel the entire grant. Consequently, the final decision to terminate benefits rests with the District Administrator, who, in practice, relies on the judgment of the Review Panel, the child welfare staff, and the FTP staff.

3. Transitional job development services. FTP employs one to two transitional job developers who work with participants in the last six months before the time limit expires. During this period, the transitional job developer works intensively with the participant, often meeting with her one-on-one, twice a week.

Originally, the transitional job developer worked primarily with FTP group members designated as compliant. But as staff referred a greater proportion of FTP participants to the Review Panel — which generally places them on the noncompliant track — the program had fewer compliant clients to refer to the transitional job developer. Because the job developer had the capacity to work with others, noncompliant FTP participants gained access to the intensive transitional job development services when space was available.

The job developers spend a significant amount of their time contacting potential employers and developing employment opportunities. For participants considered hard to place, job developers can offer employers up to 70 percent of the participant's annual AFDC/TANF benefits to compensate employers for the extra training needed. Regular on-the-job training (OJT) contracts, which are used more commonly, typically cover about one-half of the participant's wages for the first two to six months. Among the local employers using these incentives and contracts are residential centers for seniors, child care centers, restaurants, hotels, local government, and small private businesses.

The transitional job developers have very small caseloads. In the 1998 FTP report, it was estimated that they handled about 12 open cases a month, on average. Open cases include those whom the transitional job developer is attempting to schedule for an initial appointment as well as those receiving services. Some participants never respond to the job developer's repeated attempts to schedule appointments, or they decide at some point to seek employment on their own, without assistance. The transitional job developer will close the case when a client has not responded after three attempts. At this point, the participant is considered noncompliant.

C. Status as of June 1998

Figure 3.4 returns to the group of 74 individuals who came within six months of reaching the time limit between July 1997 and December 1997, showing the status of this group in June 1998. Most left cash assistance before reaching the time limit and, therefore, still had months of benefits left on their clock. Of the 49 who were sent to the Review Panel, the District Administrator recommended that all be terminated from cash assistance. By June 1998, 29 participants had left before reaching the time limit, and 20 participants had used up their time. Only one person who was referred to the panel and reached the time limit was employed and self-sufficient (making grant + $90), according to program records. For three participants, the children's portion of the grant was retained and paid to a protective payee.

Of the 25 who were not sent to the Review Panel, only seven reached the time limit; most left cash assistance before then. Four of the participants who reached the time limit were working; one person was given a four-month extension. Of the two who were not working and did not receive an extension at the end of the time limit, program records indicate that one person refused job development services (which made her noncompliant) and that the other person did not want an extension.

III. How Many FTP Participants Are Reaching the Time Limit?

This section presents information on all 2,395 single-parent cases assigned to the FTP group and looks at where they were as of June 30, 1998, the last date when data on time-limit statuses are available for this report.

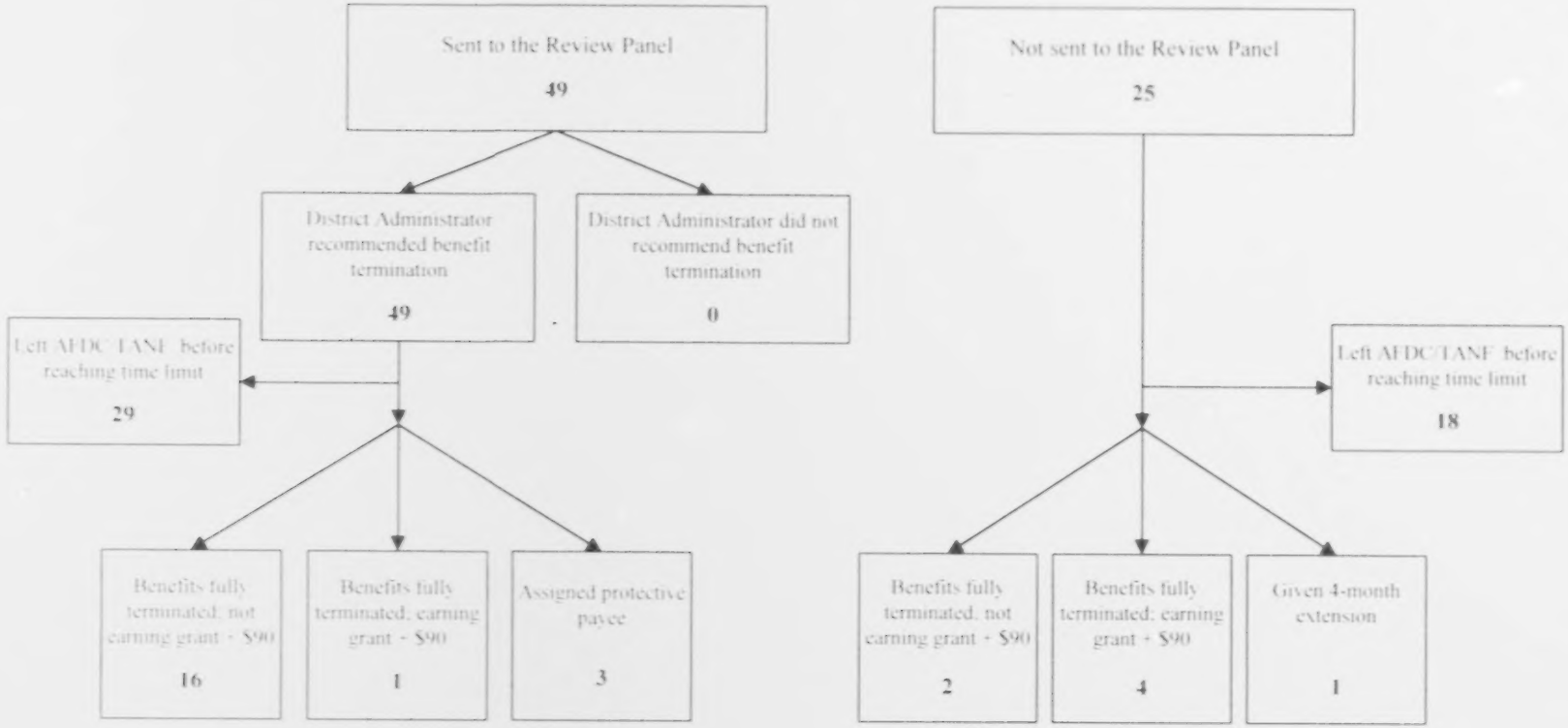
As discussed in Chapter 1, random assignment of AFDC applicants and recipients began in May 1994 and ended in October 1996. Many, although not all, FTP group members conceivably could have reached the time limit by June 1998, the last date when AFDC/TANF data were available for this report.[7] A higher percentage of FTP group members who were assigned the 24-month time limit could have reached the end, although, as discussed in Section I, members of this group are less likely to use up their months of assistance. About 60 percent of the individuals

[7] This analysis is not based on a uniform follow-up period; it captures more months of data for people who were randomly assigned earlier. Therefore, FTP group members randomly assigned in May 1994 have 50 months of follow-up data, while FTP group members randomly assigned in October 1996 have 21 months of follow-up (and could not have reached the time limit as of June 1998).

Figure 3.4

Florida's Family Transition Program

Status as of June 1998 of Single-Parent FTP Group Members Who Came Within Six Months of Reaching the Time Limit Between July 1997 and December 1997



SOURCE: MDRC calculations from FTP Review Panel summaries and FTP program records.

in the FTP group were assigned a 24-month time limit, and 40 percent were assigned a 36-month time limit.

A. AFDC/TANF Receipt for Group Assigned a 24-Month Time Limit

The 24-month was comprised of individuals who faced fewer barriers to employment than the group assigned the 36-month time limit. As Figure 3.5 shows, of the 1,458 individuals assigned the 24-month time limit, 148 enrolled in FTP after July 1996 and could not have accumulated 24 months of AFDC/TANF by June 1998. Of the remaining 1,310:

- About 18 percent (237 individuals) of the group that could have reached the time limit never received an AFDC/TANF check during the follow-up period. These individuals applied for assistance and either withdrew their application or were found to be ineligible for aid.

- Most of this group (70 percent, or 922 individuals) received at least one month of cash assistance but had not accumulated 24 months as of June 1998. The vast majority of the 922 individuals (94 percent) were not receiving cash assistance in June; 71 used up 21 to 23 months, coming very close to reaching the time limit.

- Only 12 percent (151 individuals) received at least 24 months of cash assistance by June 1998. Benefits were terminated for 111. The remaining 40 people did not reach the time limit because they did not receive 24 *countable* months of cash assistance. The reasons for this are discussed below.

B. AFDC/TANF Receipt for Group Assigned a 36-Month Time Limit

Of the 937 persons assigned a 36-month time limit, 287 enrolled after July 1995 and could not have reached the time limit by June 1998. That leaves 650 people who could potentially have reached the time limit. Of the 650:

- Only 3 percent (18 individuals) did not receive an AFDC/TANF check during the follow-up (they were not eligible for assistance or chose not to receive assistance). This low percentage is not surprising given the fact that one criterion for assigning the 36-month time limit was the individual's welfare history. (About 40 percent of those who received a 36-month time limit were applying for cash benefits at random assignment; the remaining 60 percent were already receiving cash assistance.)

- Another 71 percent (460 individuals) received between 1 and 35 months of AFDC/TANF during this period. As is true for the 24-month group, a large majority (92 percent) were not receiving cash assistance in June 1998, although 77 individuals received between 31 and 35 months before leaving and thus have few months remaining, if they return.

Figure 3.5

Florida's Family Transition Program

Status as of June 1998 of Single-Parent FTP Group Members

SOURCES: MDRC calculations from Florida AFDC records and FTP data for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: [a]The time limit was unknown (or could not be imputed) for seven FTP group members. They are not included in this analysis.
[b]Of this group, three individuals were granted a four-month extension before their benefits were terminated.

- The remaining 26 percent (172 individuals) received at least 36 months of AFDC/TANF by June 1998. Of this group, benefits were terminated for 112. The remaining 60 had not received 36 *countable* months of assistance.

C. Why Are Some Months Not Counted?

About one-third of participants who accumulated 24 or 36 months of cash assistance by June 1998 had still not reached the time limit. This is because not all of their months of assistance *counted* toward the clock. The reasons for this are discussed below.

1. Exemptions. The clock stops during periods when a client is exempt from FTP. This occurs when a physician documents that the client is incapacitated or disabled and is unable to participate in the program. Often this is a temporary exemption, and the time limit restarts when the exemption ends.[10] More than two-thirds of the group whose clock stopped did not reach the time limit because they received exemptions for at least some of their months.[11]

2. Moved. Another 15 in this category (15 percent) moved to counties in Florida that did not have an FTP program. When this occurred, their case files were transferred to the other county offices. After the WAGES program was implemented statewide, these participants were presumably enrolled in WAGES. Moving to a non-FTP county stopped their FTP clock, although these participants should receive a WAGES clock.

3. Other. FTP program records could not identify the reasons why the remaining individuals did not reach the time limit.

D. What Happens at the Time Limit?

Nearly all the FTP group members who reached the limit had their benefits entirely canceled. Of the 223 FTP single parents who reached the time limit by June 1998, 210 had their entire grant canceled immediately, three individuals were terminated after a brief extension, and one person was in the midst of a four-month extension. When this extension ends, her benefits

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[10] As discussed in Chapter 1, staff attempted to identify and screen out exempt people prior to the random assignment process. A broader list of exemption criteria was used, including mothers of young children age six months or younger and applicants who were in the fourth through ninth month of pregnancy. Clients who were assigned to FTP and who later became pregnant did not receive these exemptions.

[11] Included in this exemption category are seven participants who became relative caretakers for children other than their own; the caretaker's needs and the needs of their own children are not included in the AFDC grant. This can be illustrated with an example. A mother was receiving AFDC/TANF for herself and her children when she was first assigned to the FTP group. Later, her nephew moved in with her family. If the FTP group member began working and became ineligible for cash assistance for herself and her children, or if she reached the time limit, she could continue to receive assistance for her nephew's needs. Her clock stopped when she and her children became ineligible for cash assistance. The AFDC/TANF data used in this analysis include all benefits that are paid to FTP group members who are payees on a case. In this situation, the FTP participant is the payee, although the benefits are for her nephew.

will be terminated. The child welfare agency determined that the children's portion of the grant should be continued for nine cases; these benefits were given to a protective payee.[12]

Why have so few extensions been granted? As of June 1998, a total of eight extensions have been requested in Escambia County — four were approved, three were denied, and one was withdrawn. The low number of requests for extensions can be explained by the fact that few FTP case managers discuss extensions with FTP participants and that most staff rarely encourage participants to apply for extensions.[13] Most extensions were granted to participants who enrolled early in the FTP demonstration and who were given extra time to complete training programs.

No one has been provided a state-supported work opportunity as of June 1998. Those who were deemed compliant six months before reaching the time limit, but were not earning grant + $90 at the end, had either not cooperated with FTP at some point just before they reached the time limit or reportedly were not interested in taking a state-supported work opportunity. FTP was not obligated to offer public employment to those deemed to be noncompliant.

Figure 3.4 also helps illustrate why the FTP program has granted so few extensions and no public work opportunities. Of this sample of individuals who came within six months of reaching the time limit between July 1997 and December 1997, only 25 participants were compliant and could receive one of these exceptions to the time limit. These were individuals who were not sent to the Review Panel and, for reasons discussed earlier, were more likely to leave before reaching the end. The few who did reach the time limit were very likely to be working and self-sufficient by then.

Few protective payees were granted initially. However, more cases that were assigned 36-month time limits have come up for review in the past year. As a result, the child welfare agency has been dealing with more disadvantaged, harder-to-serve individuals, and more protective payees have been granted. From July 1997 through June 1998, eight protective payees were granted to FTP single-parent cases compared to one protective payee in the previous year.[14]

For those whose benefits were fully terminated, program records show that less than half (42 percent) were employed and earning at least as much as the standard welfare grant for their family size plus $90 per month — a total of $393 per month for a typical family of three — at the point when they reached the time limit. The remaining 58 percent were not earning this much, although they may have had other sources of financial support. This percentage distribution differs by time-limit group. For the group assigned the 24-month time limit, roughly half were employed and earning grant + $90, and half were not. For the group assigned the 36-month time

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[12]The number of individuals terminated from assistance (223) does not include everyone whose benefits were terminated in Escambia County. Benefits were terminated for a total of 251 in Escambia County by June 1998; 13 of these cases were assigned protective payees. Of the 28 individuals not included in this analysis, 16 were part of a small three-month pilot and not part of the FTP evaluation; 10 are two-parent cases and thus are excluded from the sample (but are part of the full research sample); and two were not randomly assigned to the FTP evaluation.

[13]From 1996 FTP staff survey.

[14]Two additional protective payees were granted from July 1996 through June 1997, and one other was granted from July 1997 through June 1998 to individuals who are not part of this sample (one is a two-parent case, and the other two are not part of the FTP evaluation).

limit, only one-third were employed at a job that paid grant + $90; the remaining two-thirds were not.

Individuals who reached the time limit and were earning above the welfare payment standard may not have been eligible for cash assistance under the AFDC rules in effect prior to FTP, depending on the level of their earnings. FTP's earned income disregard allowed them to continue receiving welfare while working and, thus, caused them to reach the time limit faster. A separate analysis examined the extent to which individuals who reached the time limit were working at a job that paid at least $1,300 per quarter — their quarterly earnings if they worked 20 hours per week at $5 per hour — while on cash assistance. At this level of earnings, a family of three would not have been eligible for cash assistance under the old AFDC rules. This analysis found that for the group that was earning grant + $90 at the time limit, about 32 percent of their previous quarters on AFDC/TANF were quarters when they were earning at least $1,300. For the group that was not earning grant + $90 at the time limit, this estimate was 9 percent.

V. Who Is Reaching the Time Limit?

This section compares demographic characteristics and attitudes and opinions of individuals who reached the time limit by June 1998 with those who entered the program early enough to have reached the time limit by that date but had not done so.

A. Demographic Characteristics

Table 3.1 presents selected demographic characteristics from the Background Information Form collected just before the sample members were randomly assigned. There are substantial differences between the group that reached the time limit compared with the group that did not reach the end. As expected, those who were already long-term recipients when they entered the program were more likely to reach the time limit quickly. Approximately 60 percent of the clients who reached the time limit by June 1998 had received welfare for at least two years before entering FTP, compared to 40 percent of those who had not reached the time limit by that point.[15]

The group that reached the time limit was more disadvantaged in other ways. A smaller proportion had worked full time for six months for a single employer (46 percent) compared to the group that did not reach the end (67 percent). In addition, a greater proportion of individuals who reached the time limit lacked a high school diploma or GED (46 percent) compared to those who did not reach the time limit (35 percent). Finally, a greater proportion of individuals in the group that reached the time limit lived in public or subsidized housing (34 percent); only 17 percent of those who had not used up their cash benefits lived in this type of housing.

The two groups also varied in terms of race/ethnic composition. Among those who reached the time limit, 69 percent were African American compared to 45 percent of those who

[15]Looking at this another way, approximately 16 percent of individuals who had received at least two years of AFDC/TANF reached the time limit; 8 percent of individuals who had not received at least two years of cash assistance reached the end.

Table 3.1

Florida's Family Transition Program

Selected Demographic Characteristics at the Time of Random Assignment, of FTP Single-Parent Group Members Who Could Have Reached the Time Limit by June 1998, by Time-Limit Completion Status

Characteristic	Did Not Reach Time Limit	Reached Time Limit	
Gender (%)			
Female	96.0	98.2	
Male	4.0	1.8	
Age (%)			
Under 20	7.6	8.7	
20-24	22.6	33.9	***
25-34	46.0	35.8	***
35-44	20.7	19.3	
45 and over	3.2	2.3	
Average age (years)	29.4	28.0	**
Race/ethnicity (%)			
White, non-Hispanic	51.7	29.8	***
Black, non-Hispanic	45.4	68.8	***
Hispanic	1.6	0.5	
Other	1.3	0.9	
Family status			
Marital status (%)			
Never married	43.4	56.2	***
Married, not living with spouse	26.5	22.6	
Separated	5.6	5.1	
Divorced	23.1	14.8	***
Average number of children	1.9	2.3	***
Age of youngest child (%)			
2 years and under[a]	40.0	50.7	***
3-5 years	27.8	22.5	
6 years and over	32.2	26.8	
Work history			
Ever worked (%)	93.8	87.2	***
Ever worked full time for 6 months or more for one employer (%)	67.3	46.3	***

(continued)

Table 3.1 (continued)

Characteristic	Did Not Reach Time Limit	Reached Time Limit
Approximate earnings in past 12 months (%)		
$0	45.5	58.5 ***
$1-$999	20.4	20.7
$1,000-$4,999	18.6	14.8
$5,000-$9,999	8.3	4.6 *
$10,000 or more	7.3	1.4 ***
Among those currently employed, average hourly wage ($)	5.08	4.35
Educational status		
Highest grade completed in school (average)	11.1	11.0
Highest degree/diploma earned (%)		
GED[b]	11.4	8.8
High school diploma	46.4	41.0
Technical/2-year college degree	6.5	4.2
4-year (or more) college degree	1.2	0.5
None of the above	34.5	45.6 ***
Enrolled in education or training during the past 12 months (%)	21.0	27.1 **
Public assistance status		
Aid status (%)		
Applicant	66.9	44.0 ***
Recipient	33.1	56.0 ***
Total prior AFDC receipt[c] (%)		
None	21.9	5.5 ***
Less than 4 months	7.4	4.6
4 months or more but less than 1 year	16.0	13.8
1 year or more but less than 2 years	14.1	15.6
2 years or more but less than 5 years	21.2	28.0 **
5 years or more but less than 10 years	12.2	22.5 ***
10 years or more	7.2	10.1
Resided as a child in a household receiving AFDC (%)	16.8	24.5 ***
Actual time limit[d] (%)		
24 months	69.2	50.0 ***
36 months	30.8	50.0 ***
Current housing status (%)		
Public housing	5.4	11.0 ***
Subsidized housing	11.7	23.4 ***
Emergency or temporary housing	8.9	3.2 ***
None of the above	74.0	62.4 ***
Sample size	1,699	218

(continued)

Table 3.1 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases who could have reached the time limit by June 1998 based on their random assignment date and their assigned FTP time limit.

NOTES: A total of 43 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]This category includes sample members who were pregnant at the time of random assignment.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

[d]The actual time-limit information comes from FTP data and not from Background Information Forms. These data do not necessarily correspond to the imputed time limits used in Chapter 5 for defining subgroups.

did not reach the end. The analysis also found that sample members in the group reaching the time limit were more likely to have had younger children: 51 percent had at least one child two years old or younger when they entered the study, compared to 40 percent of the individuals who did not reach the time limit.

B. Attitudes and Opinions

Table 3.2 presents information on attitudes and opinions from the Private Opinion Survey (POS) for each group. The sample members completed the POS just before they entered the FTP program. This table shows that more than two-thirds of both groups (those who reached the time limit and those who did not) reported some type of barrier that would prevent them from working part time. The two groups did not report significantly different preferences among possible activities: about one-third of both groups preferred to go to school, and slightly more than a third preferred to get a full-time job. Individuals in both groups were willing to take jobs, even if they did not like the work or had to work at night. However, members of the group that reached the time limit were more likely to respond that they would take a job in a fast-food restaurant or one that took more than an hour to get there.

Interestingly, very few respondents from both groups (14 percent) expected to be receiving welfare one year later. Still, the group that reached the time limit was more likely to agree that it would take more than a year to get a full-time job and get off welfare.

Members of the group that reached the time limit were less likely to feel that people looked down on them for being on welfare and were less ashamed to admit to people that they were on welfare. These statements about welfare stigma probably correlate with other characteristics. For example, as seen in Table 3.1, participants who reached the time limit were more likely to have grown up in a household receiving AFDC. Also, they were more likely to have lived in public or subsidized housing, so they probably had neighbors who were receiving government assistance. In fact, Table 3.2 shows that only 21 percent of the group that reached the time limit knew few people on welfare (among family, friends, and neighbors) compared to 39 percent of the group that did not reach the end. Perhaps because they felt less stigmatized by being on welfare, individuals in this group were less likely to report that they would take a full-time job, if the job paid less than welfare (34 percent compared to 42 percent of the group that did not reach the time limit).

Both groups reported a lack of control in some area of their lives. Somewhat surprisingly, fewer individuals (20 percent) who reached the time limit felt that there was little they could do to change many of the important things in their lives, when they enrolled in FTP, compared to 27 percent of individuals who did not reach the time limit. Members of the group that reached the end were more likely to report that they planned to be in school or a training program in the next few months following FTP enrollment, which may have increased their confidence in being able to shape their future.

Table 3.2

Florida's Family Transition Program

Attitudes and Opinions at the Time of Random Assignment, of FTP Single-Parent Group Members Who Could Have Reached the Time Limit by June 1998, by Time-Limit Completion Status

Attitude or Opinion	Did Not Reach Time Limit	Reached Time Limit
Client-reported barriers to employment		
Among those not currently employed, percentage who agreed or agreed a lot that they could not work part time right now for the following reasons:[a]		
No way to get there every day	37.4	39.6
Cannot arrange for child care	44.9	39.9
A health or emotional problem, or a family member with a health or emotional problem	21.2	22.2
Too many family problems	22.1	17.4
Already have too much to do during the day	13.4	11.8
Any of the above five reasons	67.2	68.0
Client-reported preferred activities		
Given the following choices, percentage who would prefer to:[b]		
Stay home to take care of their families	5.6	2.9
Go to school to learn a job skill	35.9	32.0
Go to school to study basic reading and math	4.7	7.3
Get a part-time job	4.9	5.3
Get a full-time job	36.9	37.9
Client-reported expectations regarding employment		
Percentage of clients who would likely or very likely take a job that could support their family a little better than welfare if:		
Client didn't like the work	71.2	71.6
Client had to work at night once in a while	76.3	78.7
The job was in a fast-food restaurant like McDonald's	49.6	57.8 **
It took more than an hour to get there	41.0	48.0 *
Minimum amount per hour at which client would take a full-time job		
With no medical benefits:		
Median ($)	7.00	7.00
Mode ($)	5.00	5.00
Mean ($)	7.96	8.06
With full medical benefits:		
Median ($)	6.00	6.00
Mode ($)	5.00	5.00
Mean ($)	6.63	6.99
Clients' estimation of average added value of employer-provided medical benefits per hour ($)	1.34	1.07

(continued)

Table 3.2 (continued)

Attitude or Opinion	Did Not Reach Time Limit	Reached Time Limit
Percentage who agreed or agreed a lot that:		
It will probably take them more than a year to get a full-time job and get off welfare	41.3	48.3 *
They would take a full-time job today, even if the job paid less than welfare	42.1	33.5 **
If they got a job, they could find someone they trusted to take care of their children	77.6	83.4 *
A year from now they expect to be working	91.1	89.6
A year from now they expect to be receiving welfare	13.6	13.6
Client-reported employment-related activities		
Percentage who reported that they had been able to look for a job during the past three months to the following extent:		
Not at all	27.6	29.6
Some/a little	29.3	30.1
A moderate amount	20.5	21.8
A great deal	16.6	15.5
Percentage who reported that they planned to be in school or a training program in the next few months	54.1	62.6 **
Client-reported attitudes toward welfare		
Percentage who agreed or agreed a lot with the following statements:		
I feel that people look down on me for being on welfare	47.5	39.4 **
I am ashamed to admit to people that I am on welfare	42.7	31.0 ***
Right now, being on welfare provides for my family better than I could by working	40.9	34.0 *
I think it is better for my family that I stay on welfare than work at a job	8.6	6.5
Client-reported social support network		
Percentage who agreed or agreed a lot with the following statements:		
Among my family, friends, and neighbors, I am one of the few people on welfare	39.1	21.4 ***
When I have trouble or need help, I have someone to talk to	75.7	76.0
Client-reported sense of efficacy		
Percentage who agreed or agreed a lot with the following statements:		
I have little control over the things that happen to me	22.5	23.8
I often feel angry that people like me never have a chance to succeed	37.2	42.3
Sometimes I feel that I'm being pushed around in life	47.0	44.7
There is little I can do to change many of the important things in my life	26.9	20.1 **
All of the above	5.9	3.5
None of the above	31.6	27.6
Sample size	1,603	206

(continued)

Table 3.2 (continued)

SOURCE: MDRC calculations from Private Opinion Survey (POS) data for single-parent cases who could have reached the time limit by June 1998 based on their random assignment date and their assigned FTP time limit.

NOTES: A total of 151 sample members who chose not to fill out a POS are not included in the table.

In most item groupings, individuals could agree or agree a lot with more than one statement in the grouping. Therefore, percentages may add up to more than 100.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]Part time is defined as a minimum of 10 hours per week.

[b]Distributions do not add up to 100 percent because some individuals did not indicate a consistent preference. Multiple responses were not possible for this item.

[c]Full time is defined as 40 hours or more per week.

VI. After Cash Assistance

An analysis was conducted examining the employment and welfare receipt of individuals whose benefits were canceled, relative to the quarter when their benefits were canceled. It focuses on the 166 individuals who reached the time limit by December 1997 (for whom there is at least one quarter of earnings data following the quarter of termination). This group is a subsample of the 223 persons who reached the time limit.[16]

A. Employment and Earnings

According to program records, discussed above, less than half of all individuals who reached the time limit were employed and earning grant + $90 at the point when their benefits were canceled. Table 3.3 presents information from the Florida Unemployment Insurance (UI) system, which includes employment that the program may have known about and also employment reported to the UI system that occurred without the case manager's knowledge. The two sources of data differ in other ways. The UI data are reported quarterly, while the program records show employment at a point in time. Thus, someone may not have been working at the time she reached the time limit but found a job one month later, in the same quarter. If so, this person would be categorized in the UI data as being employed during the quarter of termination. Also, Table 3.3 reports *all* employment, including work that pays less than grant + $90.

Table 3.3 shows that 59 percent of this group of individuals whose benefits were terminated were employed at some point during the quarter before benefits were canceled. During the quarter following the quarter of termination 61 percent were employed, indicating that the cancellation of benefits did not substantially increase the percentage of individuals who found employment in the short run.[17] Perhaps they had other sources of income or could not find employment.

Average earnings increased from the quarter before benefits were terminated to the quarter following termination by $350, a 46 percent increase. These averages are calculated for everyone in the group, including those with no earnings. In other words, in the quarter following termination, 39 percent of the total group were counted as zeros in calculating the averages.[18] The average quarterly earnings *per person employed* includes only individuals who were working in that particular quarter. This table shows that persons who were working after their benefits were terminated were making about $520 more than were persons who were working before benefits were terminated.

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[16]This sample does not include 57 individuals who reached the time limit between January 1998 and June 1998, and who are included in Figure 3.5.

[17]Approximately 13 percent of the 166 individuals were not employed in the quarter prior to termination but found employment in the quarter following termination. This was offset by another 11 percent who were working in the quarter prior to termination but who had no earnings in the quarter following termination.

[18]This group of individuals who were not working after their benefits were canceled may be residing in Florida and working off the books or living with family, or they may have moved to another state, where their income is not captured in the Florida UI records.

Table 3.3

Florida's Family Transition Program

Employment, Earnings, AFDC/TANF, Food Stamps, and Income, Relative to Quarter Terminated from FTP for Single-Parent FTP Group Members Who Reached the Time Limit

Outcome	FTP Group Terminated: 24-Month Time-Limit Group	FTP Group Terminated: 36-Month Time-Limit Group	Total FTP Group Terminated
Ever employed (%)			
Quarter prior to termination	59.4	58.6	59.0
Quarter of termination	61.5	65.7	63.3
Quarter following termination	63.5	58.6	61.4
Average earnings ($)			
Quarter prior to termination	744	795	765
Quarter of termination	1,009	1,097	1,046
Quarter following termination	1,138	1,085	1,115
Average quarterly earnings per person employed ($)			
Quarter prior to termination	1,252	1,357	1,297
Quarter of termination	1,640	1,670	1,653
Quarter following termination	1,792	1,851	1,817
Ever received any AFDC/TANF (%)			
Quarter prior to termination	97.1	98.6	97.7
Quarter of termination	67.0	64.8	66.1
Quarter following termination	3.9	5.6	4.6
Average total value of AFDC/TANF received ($)			
Quarter prior to termination	564	676	610
Quarter of termination	205	254	225
Quarter following termination	14	25	19
Ever received any Food Stamp payments (%)			
Quarter prior to termination	90.6	91.4	91.0
Quarter of termination	88.5	85.7	87.3
Quarter following termination	78.1	84.3	80.7
Average total value of Food Stamps received ($)			
Quarter prior to termination	655	814	722
Quarter of termination	606	622	613
Quarter following termination	519	564	538
Average total income from earnings, AFDC/TANF, and Food Stamps ($)			
Quarter prior to termination	1,963	2,286	2,098
Quarter of termination	1,820	1,973	1,884
Quarter following termination	1,671	1,674	1,672
Sample size	96	70	166

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records for single-parent cases that reached the time limit by December 1997.

NOTES: Another 57 single-parent cases reached the time limit between January 1998 and June 1998 and are not included in this analysis but are included in Figure 3.5.

B. AFDC/TANF Receipt

Virtually everyone who reached the time limit was receiving AFDC/TANF during the quarter prior to termination. The quarter of termination is defined as the quarter during which individuals left cash assistance after reaching the time limit. Less than 5 percent were receiving AFDC/TANF during the quarter following termination. Some were receiving benefits through a protective payee.

As expected, the average AFDC/TANF benefit declined substantially after FTP group members reached the time limit, reflecting the lower receipt rate discussed above. The average size of the final monthly AFDC/TANF grant was $201 (not shown in the table). Thus, on average, recipients were receiving relatively small grants prior to when their benefits were terminated (the full AFDC/TANF grant for a single parent with two children is $303), presumably because they had some earnings during this pre-time-limit period, although some were probably sanctioned for noncompliance, which reduced the size of their grant. As expected, the group that reached the time limit and was earning grant + $90 received a smaller monthly grant, on average, just before benefits were canceled ($158 compared to $268 for the group that was not earning grant + $90).

C. Food Stamp Receipt

Table 3.3 shows that for this group of 166 FTP participants, more than 90 percent were receiving Food Stamps during the quarter before their benefits were terminated compared to 81 percent during the quarter after termination. Similarly, the value of Food Stamps declined from $722 in the quarter before benefits were terminated to $538 in the quarter following termination. This is due to fewer individuals receiving Food Stamps (who are counted as zeros in this calculation) and to lower Food Stamp benefits among those receiving them (the value of Food Stamps per recipient declined from $793 to $667).

Most of the individuals who had no earnings in the quarter following the cancellation of their benefits were receiving Food Stamps. However, slightly less than one-quarter of those not working were not receiving Food Stamps. There are several possible explanations. As mentioned above, some may have moved to other states, while others may have been working in jobs that did not report their income to Florida. Also, as discussed in Chapter 2, clients had to register with the Jobs and Benefits office in order to receive Food Stamps — a requirement some clients may have resisted. Finally, some may not have known they were eligible for Food Stamps after their cash assistance benefits were canceled.

The group assigned the 24-month time limit experienced a greater reduction in Food Stamp receipt than did the group assigned the 36-month time limit. This reflects, in part, the increase in employment among the 24-month group.

D. Combined Income

Table 3.3 presents findings on the average total income derived from earnings, AFDC/TANF, and Food Stamps. While earnings increased, this increase did not completely replace the loss of cash assistance and the reduction in Food Stamp payments. On average, income from earnings and welfare declined by about 20 percent after benefits were canceled. Of course, as noted above, some may have moved to other states or had income from other sources. More will be learned about this group from the post-time-limit study, presented in Chapter 4, and from responses to the 48-month client survey to be included in the FTP final report.

Chapter 4

Surviving On and Off Welfare: Early Findings from the Post-Time-Limit Study

This chapter discusses early findings from the post-time-limit study, which looks at a small sample of FTP participants who have reached the time limit and sheds light on their economic circumstances and behavioral responses after losing welfare benefits.[1] The policy of time limits on welfare benefits has evoked great interest among observers and critics, but there is relatively limited information available on what happens to recipients once they reach the time limit — whether they find employment, what their income sources are, and how they are coping with the loss of welfare assistance. The post-time-limit study is designed to help fill the gap in knowledge about what happens to welfare recipients after they reach the time limit.

The analysis presented in this chapter goes beyond the results presented in MDRC's third report on the FTP evaluation, released in April 1998, by focusing on the end of the time limit and early post-welfare experiences of FTP participants assigned to both *the 24-month and the 36-month time limits*. The former report focused exclusively on a group assigned to a 24-month time limit.[2]

I. Summary of Findings

FTP is one of the first welfare reform initiatives in the nation to impose a time limit on the receipt of cash assistance. Chapter 3 discussed the processes that occur when clients approach and reach FTP's time limit on cash assistance; it reported that approximately 12 percent of the report sample (with a 24- or 36-month time limit) reached the time limit within 12 quarters of random assignment. The majority of sample members exiting FTP were doing so with months remaining on their time-limit clock. Nearly all FTP participants reaching the time limit had their benefits entirely canceled.

This chapter turns to a subset of the FTP participants discussed in Chapter 3 — those who reached the time limit and had their cash assistance canceled — and examines their circumstances in the last months of benefit receipt and contrasts it with their situations six months later. Data for the findings presented in this chapter are drawn from interviews conducted in the last month of benefit receipt and six months later with a sample of 70 FTP participants who were subject to a 24- or 36-month time limit and whose benefits were canceled at the time limit between late 1996 and early 1998 (57 of the 70 people completed the six-month follow-up interview).

The following are selected key findings from the post-time-limit study:

- Overall, 44 percent of the post-time-limit study sample members were working in the last month of benefit receipt, and they were relying mainly on their

[1] Welfare is generically used to refer to AFDC/TANF benefits.

[2] Bloom, Farrell, Kemple, and Verma, 1998.

own earnings, supplemented with AFDC/TANF grants and Food Stamps. Many of those who were not working when benefits ended were relying mainly on public assistance (Food Stamps and AFDC/TANF). Some were living with parents/siblings.

- Of the 57 individuals who completed both the end-of-time-limit and follow-up interviews, 24 were working when their benefits stopped, and 28 were employed at the point of their six-month follow-up interview.

- Few changes were noted in the employment status of recipients who were not working in the last month of benefit receipt: only seven individuals who were not working at the end of the time limit were working in the month the follow-up interview was conducted.

- Overall, sample members reported somewhat lower average income at the six-month follow-up point than during their last month receiving AFDC/TANF. The group that lost income included a large number of people who were working during their last month on welfare. Their earnings had not increased enough to offset the lost cash assistance. Those who gained income did so because some went to work while others reported receiving more child support or other forms of financial assistance (from informal sources) after their welfare benefits stopped.

- Despite overall income loss, sample members were no more likely to be experiencing serious material hardship at the six-month point than during their last months on welfare.

Before presenting findings from the post-time-limit study, this chapter will describe how the sample was identified for this study and the timing of data collection. Following an introduction of the data sources and methods in Section II, the findings will be presented in two parts: Section III will focus on the circumstances of the sample in the month the last AFDC/TANF benefit was received (also referred to as the end of the time limit); and Section IV will focus on post-welfare experiences of the sample, as reported in the six-month follow-up interviews.

II. The Post-Time-Limit Study: Data, Methods, and Sample

This section introduces the methods and data used for the post-time-limit study. The section begins with a discussion of how the sample of FTP participants reaching the time limit was identified for the post-time-limit study. This section ends by way of providing a sketch of the sample members in the study — their personal characteristics at the time limit — and draws attention to the similarities and differences between the post-time-limit study sample and the group discussed in Chapter 3 (the universe of FTP participants reaching the time limit).

The objective of this small-scale tracking study is to provide descriptive information on the circumstances of a small group of individuals who reached the time limit. Even though the study compares the families' situations six months after benefits were terminated with their

situations in the months during which they were receiving welfare, it is not possible to attribute changes in their circumstances to the loss of welfare benefits — there is no way for the post-time-limit study to determine how these families would have fared if they had been allowed to continue receiving welfare.[3] Readers are urged to exercise caution in interpreting the results and to refrain from drawing broad generalizations based on findings from the post-time-limit study.

A. Sample Identification

The post-time-limit study sample is unlike most samples in studies of welfare leavers. Few states have reached the point where welfare recipients have started reaching a time limit. The State of Florida, like a few other states, implemented time limits in pilot counties under a waiver from the federal government, and it has started to see its AFDC/TANF population exhaust their welfare eligibility. Much of the current research on post-welfare experiences looks at cross-sections of individuals leaving welfare — many of whom have the option of returning to welfare, if they choose to do so. As a rule, the post-time-limit study sample cannot invoke that option for at least 36 months after receiving their last welfare benefit.[4]

The post-time-limit study includes mostly FTP participants who reached the time limit after continuous or nearly continuous benefit receipt; "cyclers" are not included.[5] Recipients were eligible for the post-time-limit study if they met one of the following two criteria: (1) the FTP participant received her last welfare check during the period of study (November 1996 - May 1997 for the 24-month cohort; June 1997 - February 1998 for those with a 36-month time limit) or (2) the FTP participant was close to (i.e., one to four months away from) the time limit when she left welfare. Eighty-seven percent of the sample received their last welfare check within the study time frame. The remainder exited FTP with one to four months remaining on their welfare clock. Nearly all the people in the post-time-limit sample are members of the report sample. Only two members of this sample entered FTP during a brief pilot that preceded the beginning of random assignment.

The post-time-limit study sample was identified with the help of FTP staff, and MDRC attempted to reach and conduct interviews with everyone identified. Overall, 89 individuals belonging to both the 24- and 36-month groups were identified for the post-time-limit study: 42 in the 24-month group, and 47 in the 36-month group. Seventy-nine percent of those identified spoke with MDRC at the end of their time limit: 32 of the 42 individuals with a 24-month time limit, and 38 of the 47 individuals with a 36-month time limit. Eighty-one percent of the group that completed the end-of-time-limit interview also completed the six-month follow-up interview.

Additional details on sample selection and study design are provided in Appendix B.

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[3]MDRC's full-scale evaluation of FTP (presented in Chapter 5) is comparing the outcomes for FTP clients with the outcomes for a randomly selected group of similar clients who are continuing to receive welfare under the prior rules.

[4]As noted in Chapter 1, most FTP participants are limited to 24 months of cash assistance in any 60-month period. Certain groups of particularly disadvantaged recipients are limited to 36 months of receipt in any 72-month period.

[5]Because the post-time-limit study was conducted soon after individuals in both cohorts began reaching the time limit, the sample is mainly made up of people who reached the time limit after continuous benefit receipt.

B. Methods and Data

The post-time-limit study is designed to be a longitudinal study of individuals reaching the time limit, tracking a variety of outcomes over an 18-month period after the loss of cash assistance. Over the 18-month tracking period, sample members are interviewed at four points in time: (1) when they first lose their benefits ("end-of-time-limit" interview), during which they are asked questions about the last month of welfare receipt and the six months preceding that; (2) six months after benefits are terminated, when they are asked to focus on their first six months without welfare; (3) 12 months after benefits are terminated, when they are asked to focus on the six months since the last interview; and (4) at 18 months after the end of cash assistance.

The semi-structured, in-person interviews, for the two waves of data collection reported here, serve as the primary sources of data. The interviews cover a wide range of topics including education, employment and training activities, work status, earnings and income, and material hardships. In addition, the end-of-time-limit interview carried a series of open-ended questions that asked clients about perceptions, attitudes, and views of FTP and the time-limit policy.

C. Characteristics of the Post-Time-Limit Study Sample

As described in Chapter 3, individuals reaching the time limit differed in many ways from the FTP participants who did not use up their allotted time on welfare. Particularly, Table 3.1 notes that individuals who were regarded as long-term recipients when they entered the program were more likely to reach the time limit quickly. Further, those who did reach the time limit appeared to be more disadvantaged in many respects compared with their counterparts who had months left on their welfare time limit. For example, those reaching the time limit were more likely to be living in public or subsidized housing, to lack a high school diploma or GED, and not to have worked full time for six months or more with a single employer.

This section explores two questions related to the characteristics of the post-time-limit study sample: The first question asks how representative the post-time-limit study sample is of the universe of FTP participants losing welfare benefits in the study period; and the second question asks about selected demographic characteristics of the post-time-limit sample at the end of the time limit. Each of these questions is answered using a different data source: The first entails a comparison of the two groups using data collected on the Background Information Forms (BIF), collected just before sample members were randomly assigned to FTP; the analysis of the second question is based on data collected at the post-time-limit study's end-of-time-limit interview. The latter data source provides a snapshot of the sample in the month the last benefit was received.

1. How representative is the post-time-limit study sample of the universe of FTP participants reaching the time limit? To answer this question, the group of 223 individuals reaching the time limit (discussed in Chapter 3) was split into two groups: those in the post-time-limit study and those not included in the post-time-limit study (see Table B.1 in the appendix for a comparison of the characteristics of the two groups). Both the groups were compared on a wide range of demographic, social, and economic characteristics. The analysis reveals that the individuals selected for the post-time-limit study are quite representative of the population from which they were sampled — i.e., those FTP participants reaching the time limit by June 1998. The most noticeable difference is on the measure capturing childhood AFDC history: A higher

proportion of the individuals in the post-time-limit study had resided as a child in a household receiving AFDC — 32 percent versus 21 percent. This difference is statistically significant at the 10 percent level. However, despite this difference in childhood AFDC receipt, the groups do not look very different in terms of their total AFDC receipt prior to FTP.

2. Sample characteristics at the end of the time limit. Using data gathered from the end-of-time-limit interviews, Table 4.1 profiles the 70 individuals who participated in the post-time-limit study and shows separate breakdowns for the 24- and 36-month groups.

On average, the study sample is made up of women in their early thirties, with an average of three children in the home. The sample is primarily non-white, with African Americans making up nearly 70 percent of the group. Twenty-seven percent of the sample is white. Close to half (49 percent) the sample were living in public or subsidized housing in the month they received their last welfare benefit. For those sample members who were working at the end of the time limit, the average hourly wage was a little under $6.00.

Sample members assigned a 36-month welfare time limit differed in several ways from their 24-month counterparts. To illustrate a few differences, fewer individuals with a 36-month time limit participated in FTP's education and training activities: 58 percent of the 36-month sample compared to 88 percent with a 24-month time limit. Employment and hourly wages were also higher among the sample with a 24-month time limit: 63 percent of the post-time-limit sample with a 36-month welfare clock were not working in the month welfare benefits ended. Only 47 percent of the 24-month sample were not working at that point.

III. Findings from the End-of-Time-Limit Interviews

A. Employment and Earnings

Understanding the work experience of individuals about to lose welfare benefits is important because people's experiences in the labor market are largely dependent on their work history — the kind of work performed, their wages, and the duration they stayed employed. Data presented in Chapter 3 indicate that a substantial portion of individuals reaching the time limit were working in the quarter their welfare benefits were canceled. This section takes a closer look at the individuals in the post-time-limit study and examines their employment and earnings in the last month of welfare receipt.[5] The analysis that follows is based on the experiences of all 70 respondents who completed the end-of-time-limit interview.

Ninety percent of the respondents (63 out of the 70) reported having some work history. As noted in Figure 4.1, only a small fraction reported that they had never worked for pay, and the proportion of those who were working was almost equal to the proportion not working at the end

[5]Several distinctions should be noted about the income and earnings measures presented in Chapters 3 and 4. Chapter 3 uses administrative data to calculate earnings in the "quarter" before or after benefit termination. Chapter 4 uses the post-time-limit survey data to calculate earnings and income in the "month" the last benefit was received or in the "month" preceding the six-month follow-up interview.

Table 4.1

Florida's Family Transition Program

Demographic Characteristics of the Post-Time-Limit Study Sample at the End of the Time Limit

Characteristic	PTL Sample	24-Month Cohort	36-Month Cohort
Gender (%)			
Female	100.0	100.0	100.0
Male	0.0	0.0	0.0
Age (%)			
20-24	22.7	27.6	18.9
25-34	53.0	41.4	62.2
35-44	22.7	27.6	18.9
45 and over	1.5	3.4	0.0
Average age (years)	30.8	31.7	30.1
Race/ethnicity (%)			
White, non-Hispanic	27.3	34.5	21.6
Black, non-Hispanic	69.7	62.1	75.7
Hispanic	1.5	3.4	0.0
Other	1.5	0.0	2.7
Family status			
Marital status (%)			
Never married	55.7	56.3	55.3
Married	4.3	6.3	2.6
Separated	24.3	25.0	23.7
Divorced	14.3	12.5	15.8
Widowed	1.4	0.0	2.6
Average number of children	2.7	2.2	3.1
Housing status			
Housing assistance (%)			
Public housing	25.7	18.8	31.6
Subsidized housing	22.9	18.8	26.3
Neither	51.4	62.5	42.1
Average household size[a]	4.3	4.0	4.6
Educational status			
Highest degree/diploma earned (%)			
GED[b]	7.9	10.3	5.9
High school diploma	47.6	62.1	35.3
Technical diploma	3.2	6.9	0.0
Associates degree	1.6	3.4	0.0
None	39.7	17.2	58.8
Participated in FTP education training activities (%)	71.4	87.5	57.9

(continued)

Table 4.1 (continued)

Characteristic	PTL Sample	24-Month Cohort	36-Month Cohort
Employment and earnings			
Work status (%)			
Never employed	10.0	0.0	18.4
Currently employed part time[c]	14.3	12.5	15.8
Currently employed full time[d]	30.0	40.6	21.1
Currently not employed, but has some work experience	45.7	46.9	44.7
Monthly earnings from employment (%)			
$0	56.5	48.4	63.2
$1-$499	7.2	6.5	7.9
$500-$999	23.2	25.8	21.1
$1,000-$1,499	11.6	16.1	7.9
$1,500 or more	1.4	3.2	0.0
Among those currently employed, average hourly wage ($)	5.81	5.93	5.67
Total monthly income[e] (%)			
$1-$499	21.4	25.0	18.4
$500-$999	42.9	34.4	50.0
$1,000-$1,499	20.0	21.9	18.4
$1,500-$2,000	14.3	15.6	13.2
$2,000 or more	1.4	3.1	0.0
Sample size	70	32	38

SOURCES: Most of the measures presented in this table are based on data collected in the post-time-limit study's end-of-time-limit interviews. Respondents' birthdates, ethnicities, and educational attainment before random assignment come from the Background Information Forms (BIF).

NOTES: The actual sample size for each characteristic presented here may be less than the total sample size because not all respondents answered all questions.

[a]Average household size includes the respondent.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]For this portion of the analysis, part-time work is defined as 29 hours or less per week.

[d]For this portion of the analysis, full-time work is defined as 30-40 hours per week.

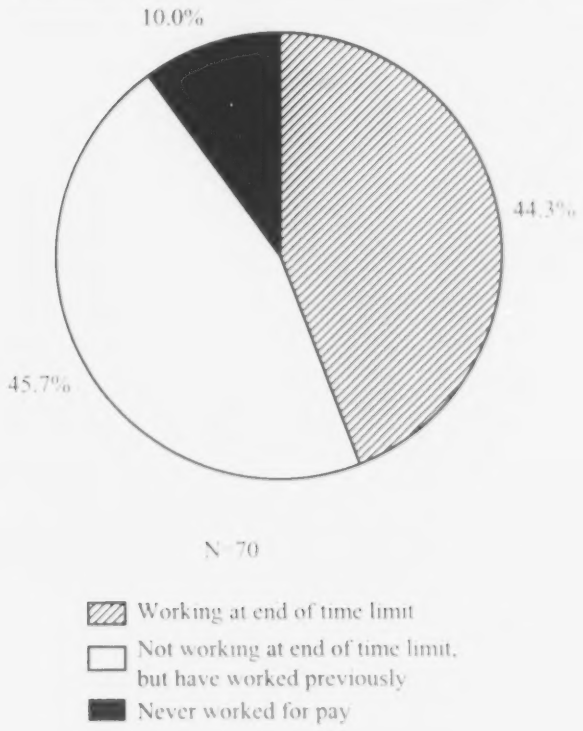
[e]Total monthly income includes payments received from employment, AFDC, Food Stamps, child support payments, alimony, WIC, SSI, unemployment insurance, worker's compensation, refugee assistance, foster child payments, family or friends, and other sources. The value of WIC vouchers has been estimated in dollars.

Figure 4.1

Florida's Family Transition Program

Employment Status and Average Wage at the End of the Time Limit

Post-Time-Limit Study Sample



People Who Were Working at the End of the Time Limit

	Average Hourly Wage	Average Monthly Earnings
24-month cohort	$5.93	$862.01
36-month cohort	$5.67	$789.41
N = 30[a]		

SOURCE: MDRC calculations using data from the post-time-limit study's end-of-time-limit interviews.

NOTE: [a]Average hourly wage and monthly earnings were not reported for one case belonging to the 24-month cohort.

of the time limit.[7] All the respondents who reported having never worked for pay belonged to the group assigned a 36-month time limit. These individuals are considered by the program to have more employment barriers, and only 14 of the 38 post-time-limit sample members belonging to this group were employed at the end of the time limit. In comparison, 17 (over half) of the sample of 32 in the 24-month group were working at the end of the time limit. The two groups also differ in their average hourly wage and average monthly earnings.

Using the work-based groupings described in Figure 4.1 — *working at end of time limit, not working at end of time limit*, and *never worked for pay* — this section looks at the individuals falling into each group and examines variations in their characteristics at the end of the time limit.

1. Working at end of time limit. As noted in Figure 4.1, 31 (or 44 percent) of the women interviewed were working in the month they received their last welfare check. A large number of these women had some work history before enrolling in FTP. These women were generally employed in low-wage, entry-level types of jobs, with wages ranging from $3.79 to $9.25 an hour. Of those who were working at the end of the time limit, 14 were in jobs that provided employee benefits. Most of the people receiving benefits were eligible for paid vacation and health benefits.

Table 4.2 presents job-related characteristics for the 31 individuals who were working in the month they received their last welfare check. Of the 31 women who were working when they reached the time limit, 21 were holding full-time jobs — defined as working between 30 and 40 hours a week — and the remaining 10 sample members were working between 18 and 29 hours a week. For those who were employed full time, work-related earnings made up an average of 67 percent of their total household income compared to 47 percent for those working part time.

2. Not working at end of time limit. Forty-six percent of the sample were not working in the month welfare benefits ended but had previous work experience. Over half of this group had a 36-month time limit. Data gathered on the most recent (or last-held) job reveal that the employment characteristics of the people who were not working are quite similar to those of individuals who were working when benefits ended. For example, individuals who were not working when benefits ended earned an average of $717 in their most recent job, worked an average of 31 hours a week at an hourly wage of $5.25, and stayed in the job for an average of six months.

Close to half the sample not working at the end of the time limit had been out of work for at least six months preceding the last welfare benefit. Another 28 percent had not worked in the immediate one year preceding the last welfare check. A small fraction (three cases) had not worked the entire period that they were in FTP. None of the three women was looking for work when her benefits ended: One woman had very young children and was not looking for work because she had no one to care for her children while she was at work; the other two women had

[7] The group labeled "never worked for pay" could be considered a subset of those "not working at end of time limit." However, this analysis looks at this group separately because its members are distinctive in terms of their work behavior.

Table 4.2

Florida's Family Transition Program

Job-Related Characteristics of the Post-Time-Limit Study Sample at the End of the Time Limit

Outcome	Employment Status at End of Time Limit	
	Employed Full Time	Employed Part Time
Average hourly wage ($)	5.97	5.43[a]
Average hours worked per week	36.2	22.4[a]
Average total income ($)	1,433.18	1,073.60
Income from earnings (%)	66.8	47.0
Sample size	21	10

SOURCE: MDRC calculations using data from the post-time-limit study's end-of-time-limit interviews. Of the 70 individuals completing the end-of-time-limit interviews, 31 reported they were working at that point.

NOTES: Total monthly income includes earnings and payments received from AFDC, Food Stamps, child support payments, alimony, WIC, SSI, unemployment insurance, worker's compensation, refugee assistance, foster child payments, family or friends, and other sources. The value of WIC vouchers has been estimated in dollars.

In this portion of the analysis, part-time work is defined as 29 hours or less per week and full time work is defined as 30 or more hours per week.

[a]Nine out of 10 respondents working part time reported their hourly wage and hours worked per week.

older children but reported having emotional and physical problems that precluded them from working.

AFDC/TANF and Food Stamp benefits appeared to be the primary sources of income for this group of former FTP participants who were not working at the end of the time limit. Some members of this group were relying on family and friends for support. A number of these people were living with a parent or partner who was at least partly supporting them. Of the three women who had not worked in a long time, two were living with a parent, and both indicated that they were dependent on the parent for a variety of supports.

3. Never worked for pay. Besides the obvious commonality of having no work history, the seven women who had never worked shared other similarities in their circumstances. To highlight a few:

- **Demographics:** Four of the seven women reporting no work history were young (under 25 years of age), six of the seven were caring for a child under two, and four had never been married at the time they enrolled in FTP.

- **Few income sources at the end of the time limit:** Other than AFDC and Food Stamp benefits, little other income was reported by these seven individuals. One woman was receiving child support and SSI in the month benefits ended, but no one identified any other steady stream of income.

- **Welfare dependence:** Six of the seven women had been on welfare for some period of time before they enrolled in FTP.[5] Three women had spent from five to 10 years on welfare, and one had been on welfare longer than 10 years.

- **Housing subsidies:** At the time limit, four out of seven were living in assisted housing and had their rents subsidized totally or partially by the government. One respondent was living with her partner and was not responsible for meeting rent obligations. By residing in public housing, these women were sheltered from the immediate risk of homelessness.

- **Nontraditional means of earning income:** Studies have found that low-income women engage in a wide array of income-generating activities and that their strategies are dynamic and ever-adapting to situations and people who are part of their lives (see Edin and Lein, 1996). The never-employed sample in this study also hints at some of this behavior. At least five out of the seven women reported trying to earn some extra money in one or many ways: Four women collected bottles and cans to generate additional income, and one woman occasionally sold or traded her Food Stamp benefits for cash.

[5]Welfare history data are missing for one of the seven women.

IV. Post-Welfare Experiences: Findings from the Six-Month Follow-up Interviews

The first round of follow-up interviews took place approximately six months after the end-of-time-limit interview. Eighty-one percent (57) of the respondents who spoke with MDRC at the end of their time limit also completed the six-month follow-up interview. Twenty-seven of the 32 (84 percent) of the 24-month group who completed the end-of-time-limit interview also completed the follow-up. The response rate was 79 percent for the 36-month group.[9]

Using data gathered at both the end-of-time-limit and the follow-up interviews, this section explores experiences in the first six months after benefit termination. This discussion of post-time-limit experiences provides a very early glimpse of changes in the economic and material circumstances of a subset of FTP participants — those who reached the time limit. Readers are cautioned not to use these findings about changes in individual circumstances to draw conclusions about the interaction between time limits and individual and family well-being. The post-time-limit study is designed to provide descriptive information on the circumstances of individuals losing welfare assistance, and the study does not lend itself to an analysis of impacts or effects of FTP on individual outcomes. The post-time-limit study focuses exclusively on FTP participants reaching the time limit. Members of the AFDC group are not included in this study because FTP's rules do not apply to them — they are subject to the welfare rules that existed before FTP was implemented.

This section on post-welfare experiences begins by looking at how employment status changed over time for the 57 individuals who completed both rounds of interviews. The extent to which income increased or decreased over the span of six months for these individuals is also explored. The section concludes with a look at whether families were experiencing greater material and financial hardships, compared with their circumstances at the end of the time limit.

A. Work: A Yardstick of Economic Self-Sufficiency?

Several recent studies have noted that recipients leaving welfare are finding jobs, and some studies have estimated that between 50 percent and 60 percent of people leaving welfare are finding jobs.[10] These same studies also indicate that these jobs pay between $5.50 and $7.00 per hour — earnings above the minimum wage but low enough to keep families at or close to the poverty level.[11] While the number in jobs after leaving welfare is commonly used as an indicator of economic self-sufficiency, the low earnings that go along with these jobs begs the question whether employment status per se is an adequate yardstick of economic success.

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[9]Appendix B provides a fuller account of the interviewers' efforts to locate each and every sample member in the post-time-limit study sample.

[10]South Carolina's Survey of Closed Cases reported that 65 percent of former recipients were working after leaving the Family Independence Program (U.S. Department of Health and Human Services, 1998); Maryland's data matches between closed cases and unemployment insurance (UI) records showed that 51 percent of the sample of former recipients were working in the first quarter after leaving welfare; 55 percent were working by the third quarter after leaving welfare (Born, 1998).

[11]Full-time work at $7.00 an hour would put a family of three over the poverty line, especially with the EITC. Several recent studies have shown that changes in the EITC are associated with higher labor market participation among single parents (Blank, 1998).

Overall, 24 sample members were working at the end of the time limit, and 28 were working at the six-month follow-up point. The analysis presented in Chapter 3 reports a much higher percentage of individuals working in the quarter preceding and following the time limit. One obvious reason for this discrepancy is that these two studies employ different approaches for measuring post-time-limit employment: The analysis of post-time-limit employment presented in Chapter 3 draws on the UI wage records, which provide a summary of employment in a given *quarter*, and this does not correspond with the employment information collected in the post-time-limit study — i.e., employment status in the *month* of benefit termination. An illustration may help clarify the difference in methods. For example, if an individual is not working at the end of the time limit but begins working in the month following benefit termination, that person will be coded as not working in the analysis presented in this chapter. However, that work activity will be picked up in the analysis presented in Chapter 3.

To get a better handle on how employment status changed over the six-month follow-up period for individuals reaching the time limit, sample members were grouped into one of four categories based on their employment status at the end of the time limit and six months later: (1) those who were not working at the end of the time limit or six months later; (2) those who were working at both points in time; (3) those who were working at the six-month point but not at the end of the time limit; and (4) those who were not working at follow-up but were working when the time limit was reached. Figure 4.2 shows the total numbers in each of these four groups, along with a breakdown by time-limit assignment — i.e., 24-month and 36-month.

The second panel in Figure 4.2 shows that there was very little change in the employment status of sample members in this study. Seven sample members who were not working when benefits expired were working six months later. Another three sample members who were working at the end of the time limit were not working six months later. The employment status of the remaining 47 sample members did not change over the two points of study: 26 sample members were not working at either point (18 of the 26 individuals in this category had a 36-month time limit), and 21 sample members were working both when their benefits ended and at follow-up (a group dominated by individuals with a 24-month time limit).

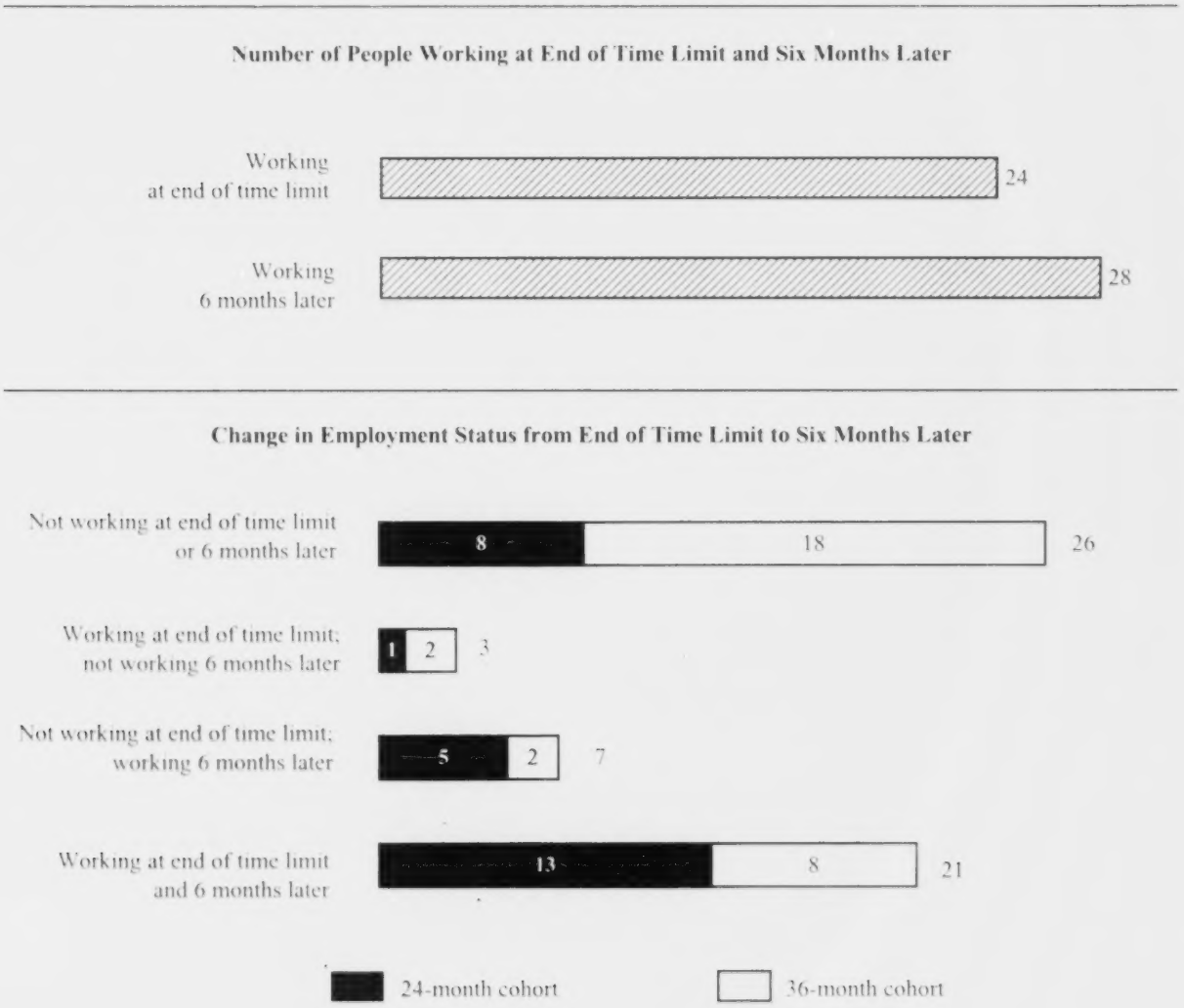
The following section takes a closer look at sample members in two of the four groups described above — those who were not working at the end of the time limit or six months later and those who began working after losing welfare benefits. The individuals in the first group represent a sizable portion of the sample in the follow-up study, and there is significant interest among policy analysts to understand who these people are, and what their circumstances are, since they neither receive welfare nor have earnings. Those who went to work after losing welfare benefits are looked at to understand how their economic circumstances changed from the end of the time limit. The case studies for both groups of sample members begin with a description of their circumstances at the end of the time limit and then follow with a description of their situations six months later.

1. Not working at end of time limit or six months later. As noted above, close to half of the follow-up sample (26 out of 57 respondents) were not working at either the end of the

Figure 4.2

Florida's Family Transition Program

Employment Status at the End of the Time Limit and Six Months Later


Number of People Working at End of Time Limit and Six Months Later
Working at end of time limit
24
Working 6 months later
28
Change in Employment Status from End of Time Limit to Six Months Later
Not working at end of time limit or 6 months later
8
18
26
Working at end of time limit; not working 6 months later
1
2
3
Not working at end of time limit; working 6 months later
5
2
7
Working at end of time limit and 6 months later
13
8
21
24-month cohort
36-month cohort

SOURCE: MDRC calculations using data from the post-time-limit study's end-of-time-limit interviews and six-month follow-up interviews. Of the 70 participants who completed the end-of-time-limit interview, 57 had completed the six-month follow-up interview at the time of this report.

time limit or the six-month follow-up point.[12] Four cases studies of individuals in this employment category are described below: two from each of the time-limit groups.

Case 1: 36-month time limit

- Sonya[13] was pregnant at the time her benefits ended and reported that she was not looking for work at that point. During her 36-month association with FTP, Sonya did not participate in any education or training program offered by FTP. In her last month on welfare, Sonya was living with her boyfriend and had custody of only one of her four children: two children — a 10-year-old and nine-year-old — were in custody of their father; another child was living with foster parents. Sonya was receiving $176 in AFDC benefits, $220 in Food Stamps, and $19 in WIC. She reports that she has sold or traded her Food Stamps for something else. When asked if she had plans for taking care of her needs and those of her children when she could no longer receive cash assistance, Sonya indicated that she had moved in with her partner and indirectly implied that she was relying on him to take care of her needs.

  Six months later, Sonya continued to be out of work and said she was not working because she was caring for her infant. She did not feel comfortable with the idea of sending her infant to daycare and was planning to do some baby-sitting (so that she could also watch her child and earn a living) in the future. She continued to live with her boyfriend and have custody of two of her five children. While she lost her AFDC /TANF benefit of $176, she reported that the cash value of her WIC benefit increased from $19 at the time limit to $100 six months later. Her partner earned between $800 and $1,000 in the month preceding the six-month follow-up interview.

Case 2: 36-month time limit

- By the time she reached the time limit, Meg had made several attempts to find work but was disappointed that her attempts were unsuccessful. When asked what kind of work she was looking for, she responded with despair, "Housekeeping, cooking, anything I can do to get hired. I really need a job." Meg believed that her failed attempts to find work had to do with the lack of job openings. Meg was living with her five children in a privately rented home in a neighborhood which she rated as a good neighborhood. Meg was interviewed soon after she stopped receiving her AFDC benefit of $316. She continued to receive $426 in Food Stamp benefits, $450 in SSI payments for one of her children, and $80 in child support. In the months preceding her last welfare benefit, Meg reported that she was experiencing material hardships and that she had her electricity cut off because she could not afford to pay her bills. She had been unable to restore elec-

[12]While the 26 sample members were not employed at both points in time (end of time limit and six months later), five of these persons worked at some point after they stopped receiving benefits; these jobs typically lasted from two to four months.

[13]Respondents' real names are not used in this report.

tricity because of continued financial hardship (the electric bill of $350 was past due). Prior to losing welfare benefits, Meg often resorted to collecting and trading cans outside her home, and on some occasions, she has pawned items for cash.

Six months later, Meg reported that she had not made a concerted effort to look for work. She says, "[I] really have not been looking but [for] a week or two." She had moved once in the follow-up period, and the main reason for the move was that she was looking for a cheaper place to live. After her ADFC benefits stopped, she reported that her Food Stamp allotment increased by $61 to a total of $487. She also continued to receive SSI and child support.

Case 3: 24-month time limit

- Shannon, a 22-year-old mother with two children, stopped working around four months before losing her welfare benefits. She claims to have a fourth-grade education and did not participate in the education and training activities offered by FTP. At the end of the time limit, she was living with her family and was not contributing to the rent. Although her mother absorbed most of the household expenditures, the two try to keep their food expenditures separate. Shannon had applied for SSI for one child who was injured in a gas explosion. (Her other child suffers from acute kidney failure as well as delayed speech and dyslexia.) In the month before Shannon lost her benefits, AFDC/TANF was her main source of income, in addition to $240 in Food Stamp benefits. She said that she had sold plasma often in the six months prior to losing welfare.

  Six months later, after her last welfare check, Shannon was training to work in a child care center. She was not looking for work but was hoping to find something after her training was completed. She continued to live with her family and to rely on her mother for support. At follow-up, although Shannon reported paying part of the rent ($150), it is unclear how she was meeting that payment because she did not report any earnings or income from other sources. Her Food Stamp benefits increased by $64, and she continued to receive Medicaid for her children and herself. Her mother remained employed and was earning a little over a $1,000 in the month preceding follow-up.

Case 4: 24-month time limit

- Kathy, a 25-year-old mother of two children, was looking for work when she received her last welfare check. She was living in public housing and was not paying rent because she was not working. In the month before her last welfare check, Kathy was receiving $315 in Food Stamp benefits and another $198 in AFDC/TANF. On one occasion before reaching the time limit, she turned to a local agency for help with paying her utility bills.

  Six months later, after she received her last welfare check, Kathy's economic and material circumstances had changed little. Though she was not working when she completed her six-month follow-up interview, she did hold a job for one month

after she lost welfare benefits, but she quit because she could not get enough hours of work (she reports that she was working eight hours a week at this job). Her more recent efforts at finding work have proved unsuccessful, and in her mind, lack of work experience is the main reason for this. Her Food Stamp benefit remained almost the same, and she reported receiving $270 in child support. Thus, while Kathy's total income at follow-up was slightly higher than her income when benefits expired, this is mainly because she started receiving child support payments that were higher than her AFDC/TANF grant ($198), and it offset her welfare grant.

2. Who began working after losing welfare benefits? A total of seven sample members who were not working at the end of the time limit were working when interviewed six months later. Six of these respondents had held jobs in the past (i.e., before they lost welfare benefits), but for one sample member belonging to the 36-month group, this job represented her first job ever. For those who had prior work history, most had not worked for at least a year preceding their last welfare benefit.

At the six-month follow-up point, five were holding full-time jobs of 30 to 40 hours a week, and the remaining two sample members were working part time. Those in full-time jobs reported earnings from $692 to $1,407; the two women in part-time jobs were earning $346 and $514, respectively. Two case studies are presented below to illustrate how economic circumstances for these select cases changed as a result of changes in employment status. While both cases reported earnings at the six-month follow-up point, for one person the earnings were high enough to raise the household over the poverty threshold.

Case 1: 24-month time limit

- Lynn was close to completing her dental assistant's training program when she received her last welfare check in May 1997. To her, FTP's two-year time limit was just too short to allow her to complete the education and training she needed. As a mother of two young children, she struggled with the fact that once she lost her welfare benefits, she would have to find a way to pay for child care expenses, which she was eligible for under FTP. At the end of the time limit, Lynn was living with her two young children, in a rented house, which she shared with her boyfriend. She reported that they were paying $350 per month in rent. While Lynn was not working when her welfare benefits ended, she had worked in the past as a hair stylist. In her last month on welfare, Lynn reports that her total income was $577, of which $288 was her AFDC/TANF benefit and the remainder was the Food Stamp benefit ($289). Her boyfriend was working in the month Lynn received her last welfare check, and he was earning $800 in salary.

  Six months later, Lynn was employed as a dental assistant, earning approximately $325 a week. She had completed her dental assistant's training program in July 1997, and one month later she was holding a full-time job. She continued to live in the same house along with her boyfriend and her two children. At the six-month follow-up point, Lynn's income had increased to $1,615.25, a net increase

of $1,038.25 from the end of the time limit. Her Food Stamp benefits had declined to $83, and she was receiving $125 in child support payments. Her boyfriend, who continued to share some of the household expenses, was also working, earning a monthly salary of $1,300.

Case 2: 24-month time limit

- When Rachel reached the end of the time limit, she was looking for work as a dietary aide or a cashier/typist. While in FTP, she worked toward an associate degree in office systems (clerical/administrative work). In the last month Rachel received welfare benefits, her only income came from AFDC and Food Stamps: She was receiving $151 in AFDC and $198 in Food Stamp benefits. She was renting a four-room housing unit and was paying $25 in rent and utilities on her HUD-subsidized apartment. Rachel's 12-year-old daughter was living with her, and her 21-year-old son was living out of state. Rachel relied on her sisters for help in many ways. When Rachel first heard about the time limit, she was very concerned that she would exhaust her 24-month time limit and not have a job nor any money.

  Six months later, Rachel was working as a preparer at a fast-food restaurant, working 30 to 35 hours a week, and earning a salary of approximately $160 per week. The job did not provide any benefits, thus leaving her and her daughter without medical coverage. Although she was not looking for another job because she had one, she felt that if she could go back on welfare she would be able to look for a better job. At the six-month interview, Rachel was no longer receiving Food Stamp benefits — she said that she did not reapply for her them — but did report that she was getting $70 in child support payments. Compared to her total income of $349 reported at the end of the time limit, Rachel's income six months later had increased to $763. She continued to live in public housing and reported that she was paying around $249 in utilities and housing costs.

B. Income Changes After Losing Welfare Benefits

The analysis of changes in total income after the loss of cash assistance is based on the difference in monthly household income from the month prior to benefit termination to the month preceding the six-month follow-up interview. Total monthly income is defined as income for the sample members from all sources including earnings, Food Stamps, child support, SSI, other governmental assistance, and financial assistance from friends or family.[14] It is important to note that in calculating total income, this analysis includes only earnings, government assistance, and other forms of financial support provided to the respondent and her children. The earnings and income of other household members are not included in this calculation.[15]

[14]This includes loans and small contributions received by sample members in the month preceding the interviews.

[15]Earnings and income sources of other households members are particularly relevant in situations where former recipients rely on these individuals for assistance. Our efforts to uncover how households pool their financial resources and support the needs of former recipients have not yielded complete information. Further research on this

Table 4.3 presents the average monthly income for the post-time-limit study sample members one month before benefits expired and one month preceding the follow-up interview. The analysis of total income at these two points in time indicates that 16 sample members' income increased after their benefits expired, an average increase of $370.31. On the other hand, the income of the remaining 41 sample members had decreased by the month preceding follow-up, an average decline of $311.63.

Figure 4.3 expands on the above analysis of income gains and losses and takes a closer look at selected characteristics of individuals who gained or lost income at the two points of comparison — the end of the time limit and six months later. In particular, the analysis focuses on examining how individuals belonging to the 24- and 36-month cohorts were represented on the income increase/decrease scale, and how the changes in income were tied to individuals' employment statuses at the end of the limit and six months later. As shown in Figure 4.3, most individuals with a 36-month time limit reported lower income six months later (23 out of the sample of 30 completing follow-up interviews). Seven members from the group with a 36-month time limit experienced some gains in income. In comparison, a somewhat higher proportion of the group with a 24-month time limit reported higher income at the six-month follow-up point.

1. Who lost income? The group that experienced a decline in income was essentially made up of individuals who were working when their benefits expired and continued to work six months later and of individuals who were not working at either point. For those who were not working at the time limit or six months later, the loss of welfare benefits was enough to result in a decline in income. Even though some members of the group did receive higher Food Stamp benefits, this increase was not high enough to offset the loss of AFDC/TANF benefits. The group that remained employed over the study period experienced a higher decrease in income than the group that was not working at both points.[16]

Figure 4.4 presents five income-change scenarios that stand out in illustrating people's experiences of income loss. The figure is presented in a way so that it shows how the major income categories changed from the end of the time limit to the follow-up point. For example, Case 1, a sample member with a 24-month time limit, experienced an overall decline in income even though higher earnings were reported at follow-up. This individual also reported a small child support payment at follow-up. Case 2 presents another common scenario: Earnings remain the same at both points in time, but the composition of welfare benefits change; AFDC benefits disappear, and Food Stamp benefits increase slightly. Cases 3, 4, and 5 represent the income composition of individuals relying primarily on welfare benefits and informal supports to make ends meet.

One limitation of the income change analysis presented in this chapter is that it focuses quite exclusively on the earnings and income of sample members, thus describing only one part of the financial situation of households with declining income. Some of the sample members

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issue is under way in the 18-month post-time-limit study. Typically, respondents are hesitant to discuss finances of other household members, and in some cases, it is quite possible that they are unaware of the earnings and income of other household members.

[16]Nine of the 19 people who lost income but were employed at both points reported lower earnings at the six-month interview than at the end-of-time-limit interview.

Table 4.3

Florida's Family Transition Program

Average Monthly Income One Month Before the Loss of AFDC/TANF Benefits and One Month Before the Six-Month Follow-Up Interview

Type of Change in Income	Average Monthly Income ($) At End of Time Limit	Average Monthly Income ($) At 6-month Follow-Up Interview	Difference	Sample Size
Increase	580.04	950.35	370.31	16
Decrease	1,047.66	736.03	-311.63	41
Total	916.40	796.19	-120.21	57

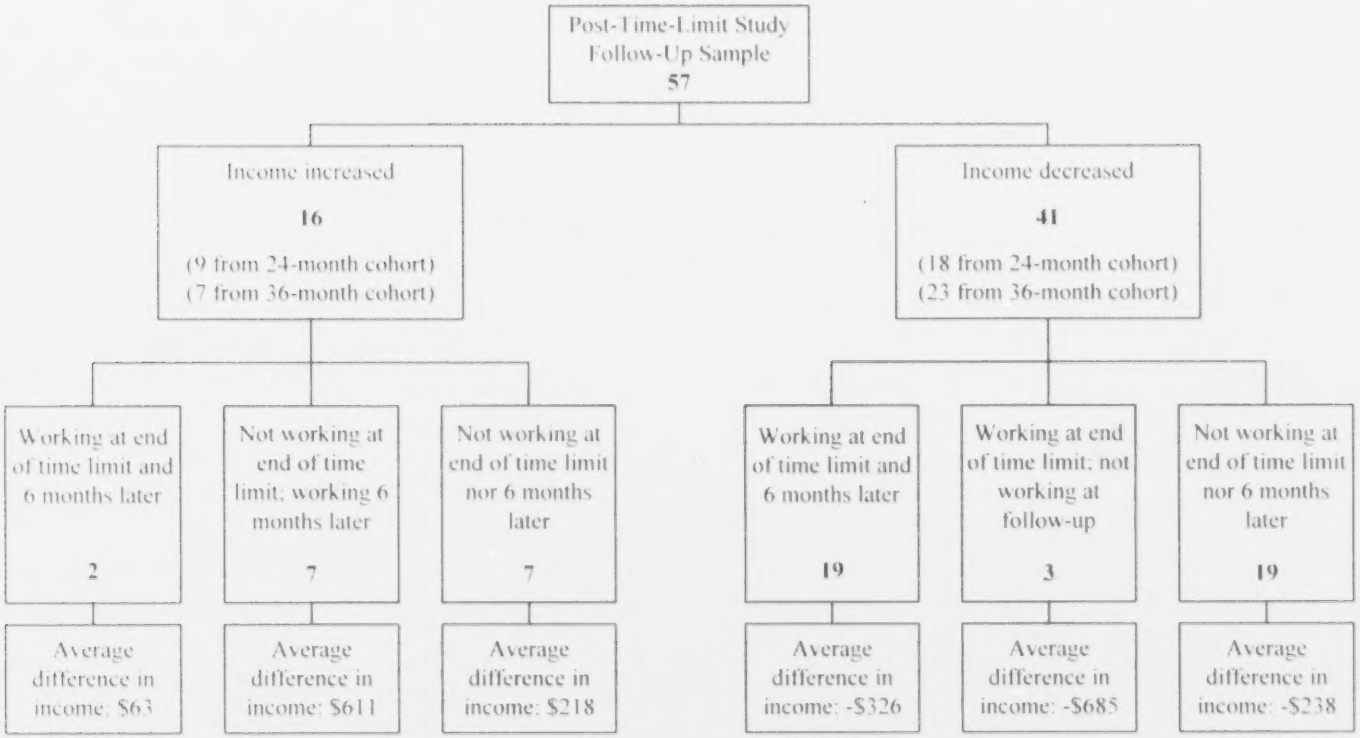
SOURCE: MDRC calculations using data from the post-time-limit study's end-of-time-limit interviews and six-month follow-up interviews. Of the 70 participants who completed the end-of-time-limit interview, 57 had completed the six-month follow-up at the time of this report.

NOTES: Total monthly income includes earnings and payments received from AFDC, Food Stamps, child support payments, alimony, WIC, SSI, unemployment insurance, worker's compensation, refugee assistance, foster child payments, family or friends, and other sources. The value of WIC vouchers has been estimated in dollars.

Figure 4.3

Florida's Family Transition Program

Income Status Six Months After the Loss of Welfare Benefits for the Post-Time-Limit Study Sample


Post-Time-Limit Study Follow-Up Sample 57
Income increased 16 (9 from 24-month cohort) (7 from 36-month cohort)
Income decreased 41 (18 from 24-month cohort) (23 from 36-month cohort)
Working at end of time limit and 6 months later 2
Not working at end of time limit; working 6 months later 7
Not working at end of time limit nor 6 months later 7
Working at end of time limit and 6 months later 19
Working at end of time limit; not working at follow-up 3
Not working at end of time limit nor 6 months later 19
Average difference in income: $63
Average difference in income: $611
Average difference in income: $218
Average difference in income: -$326
Average difference in income: -$685
Average difference in income: -$238

SOURCE: MDRC calculations using the post-time-limit study's end-of-time-limit and six-month follow-up interviews. Of the 70 participants who completed the end-of-time-limit interview, 57 had completed the six-month follow-up interview at the time of this report.

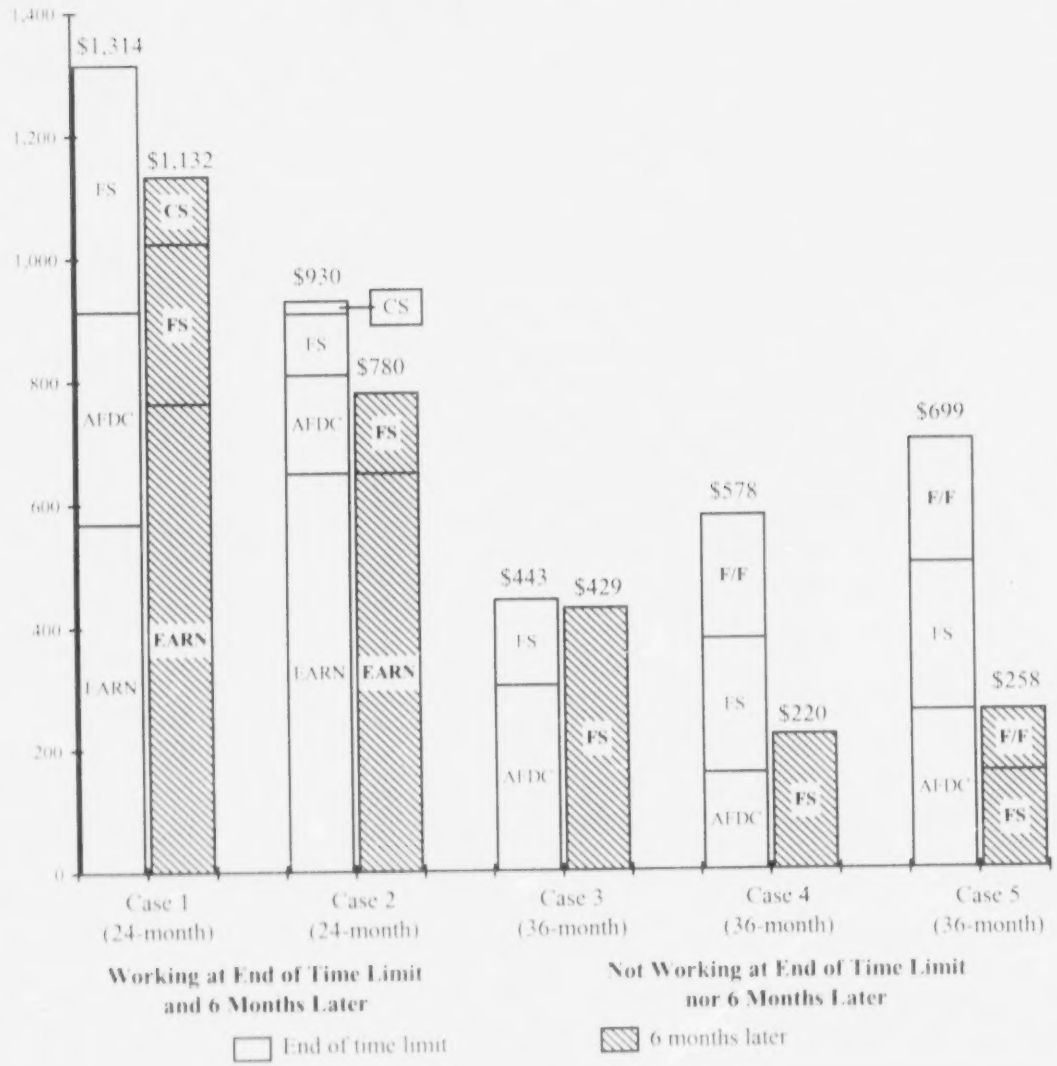
NOTES: Total monthly income includes earnings and payments received from AFDC, Food Stamps, child support payments, alimony, WIC, SSI, unemployment insurance, worker's compensation, refugee assistance, foster child payments, family or friends, and other sources. The value of WIC vouchers has been estimated in dollars.

The average change in income is based on fairly small samples. Readers are cautioned not to draw broad generalizations based on these calculations.

Figure 4.4

Florida's Family Transition Program

Change in Total Income for a Sample of Those Whose Income Declined in the Post-Time-Limit Study Sample



SOURCE: MDRC calculations using data from the post-time-limit study's end-of-time-limit and six-month follow-up interviews.

NOTE: Abbreviations are as follows:

AFDC = Aid to Families with Dependent Children
EARN = Earnings
CS = Child support
F/F = Family or friends
FS = Food Stamps

were living in households that included other income-earning members — for example, a parent, sibling, or partner — and it is unclear at this point how sample members whose income declined benefited from the earnings of other household members. Anecdotal evidence suggests that relatives have been a major source of support, and in more than one case, they have supported respondents' food, rent, and transportation needs. To date, the post-time-limit study has not looked in depth at the roles and demands on support networks and hence cannot shed light on whether these supports are free of expectations or reciprocal obligations. The 18-month interviews will look into the role of support networks and the costs associated with using those networks.

2. Who gained income? As shown in Figure 4.3, income gains were experienced by 16 sample members. As expected, income increased the most for seven sample members who began working after their welfare benefits stopped. The average income change for these seven individuals was $611. Seven sample members who were not working both at the end of the time limit and six months later reported an average increase of $218.

Figure 4.5 presents typical income-change scenarios for individuals reporting higher income at the six-month follow-up interview. Four cases have been selected to illustrate the pattern evidenced in the data. The first case was not working at either the end of the time limit or six months later, the next two cases began working after reaching the time limit, and the last one was working at both points. Though all four of these cases reported higher total income at follow-up, earnings and other forms of assistance contributed different fractions to the overall increase in income. For Case 1, the $269 increase in total income from the end of the time limit mainly resulted from a combination of Food Stamp benefits, child support payments, and WIC benefits received at the six-month follow-up point.[17] For cases 2, 3, and 4, earnings offset the lost cash assistance, but the fraction of total income that was a function of earnings varied a bit.

C. Keeping Families Afloat Through Change

How do former welfare recipients shield their families from times of hardship and material deprivation? To elicit information on the types of hardships families experience and how they deal with such situations, the post-time-limit study looks explicitly at deprivation in areas related to food adequacy, medical care, and housing.

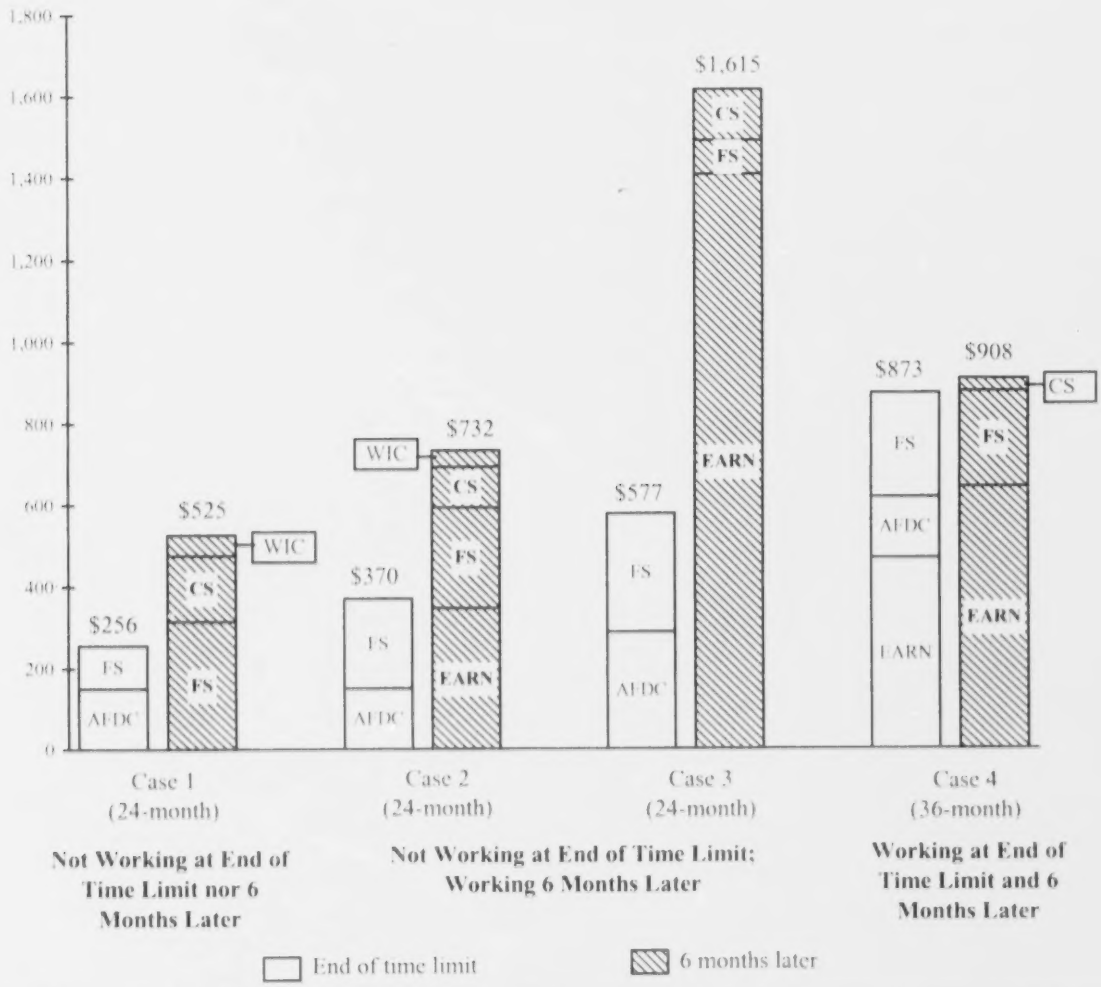
1. Changes in living arrangements. More than one-third (20 out of 57) of the respondents indicated that they either moved or were in a different living arrangement after their welfare benefit stopped. For some, there was an actual change in housing; for others, the change was more in terms of financial arrangements or who was living with them. For example, a couple respondents who had been living with family or friends and contributing rent at the time limit were not making such contributions at follow-up. To provide insights into how living arrangements changed for this group during the follow-up period, this section highlights a few examples of housing mobility and shifts in living arrangements.

[17] For this analysis, the value of WIC vouchers has been estimated in dollars.

Figure 4.5

Florida's Family Transition Program

Change in Total Income for a Sample of Those Whose Income Increased in the Post-Time-Limit Study Sample



SOURCE: MDRC calculations using data from the post-time-limit study's end-of-time-limit and six-month follow-up interviews.

NOTES: Abbreviations are as follows:

AFDC = Aid to Families with Dependent Children
EARN = Earnings
CS = Child support
F/F = Family or friends
FS = Food Stamps
WIC = Special supplemental nutrition program for Women, Infants and Children

The value of WIC vouchers has been estimated in dollars.

Moving up and out of public housing:

- In the six months between the end-of-time-limit and the follow-up interviews, this respondent and her three children moved in with her fiancee, moving out of subsidized housing because they wanted to be "HRS free." She was working at the time of both interviews and was earning $1,120.71 at follow-up. She had stopped receiving Food Stamp benefits at some point after her cash assistance ended.

- This respondent was working at the same job at baseline and follow-up and was able to move out of public housing between the two interviews. At both points she was living with her four children (one over 18) and one grandchild. Her 21-year-old daughter was also working at follow-up. Her total income at follow-up was $1,492.80, about a 10 percent decline since the end of the time limit.

Living with family and friends and not paying rent:

- At the time of both interviews, the respondent, a member of the 36-month group, was living with her mother, a male relative (brother or nephew, not clear), and her four children. At follow-up she was no longer working and had stopped contributing to the rent. She was paying $150 in rent when she reached the time limit.

Other types of changes:

- One respondent's home was in foreclosure at the time she received her last welfare check. She moved, and then her new place burned down. So she had to move a second time. At follow-up she was living with her two children, her husband, and his parents. Her in-laws had custody of the children. Her third child, not her husband's, lived with a friend, because her in-laws did not want the child with them. She had worked picking up scrap metal at baseline and was working as a nursing assistant at follow-up.

2. Hunger and food inadequacy. To make this assessment, sample members were asked to respond to two questions describing household food adequacy in the six months preceding the end-of-time limit and six-month follow-up interviews. The first question asked respondents if the amount of food the household has to eat is enough, sometimes not enough, or often not enough. The second question asked if respondents had enough of the kinds of food they want to eat, or enough food but not always the kind they want to eat. In response to the first question, at the six-month follow-up point, 86 percent of the sample reported that they had enough to eat; 14 percent reported that they sometimes did not have enough to eat. No one reported that they often did not have enough to eat. With respect to the second question, close to half the sample (or 44 percent) indicated that although they had enough food to eat, they did not necessarily eat the kinds of food they wanted. It is important to note that some respondents had also indicated that they sometimes did not have enough to eat, or did not eat the kinds of food they wanted, during their last months on welfare. There were no clear patterns in the responses at these two points in time.

3. Medical coverage. Seventy-nine percent of the follow-up sample reported having health coverage provided by Medicaid or some other health insurance plan at the six-month follow-up point. Eighty-five percent of the group with a 24-month time limit were covered by a health insurance plan, compared to 73 percent with a 36-month time limit. Of the 57 sample members who completed both the end-of-time-limit and the six-month follow-up interviews, 40 reported that they continued to have medical coverage; 11 sample members who did have coverage at the end of the time limit reported not having it at the six-month point; five who were without medical coverage at the end of the time limit reported having coverage six months later.

Sample members were also asked to indicate who in the household was not covered by the health plan. In households lacking health insurance, respondents typically were the ones who were not covered. Four sample members with a 24-month time limit reported that they did not have coverage for themselves, and two indicated that their children were not covered either. Eight sample members in the 36-month group did not have medical coverage at follow-up; in five of these households, the children were without medical coverage.

Chapter 5

Three-Year Impacts on Employment, AFDC/TANF, and Food Stamp Outcomes

This chapter examines FTP's impact on the employment and welfare behavior of nonexempt single parents who applied for or were being recertified for AFDC/TANF eligibility in Escambia County between May 1994 and February 1995. Unlike the previous chapters, the analyses presented in this chapter are based on comparisons between those randomly assigned to participate in FTP (the FTP group) and those subject to the pre-existing AFDC program (the AFDC group). The chapter also examines FTP's impact on the employment and welfare behavior of several subgroups of the report sample. In particular, the chapter focuses on subgroups defined by characteristics associated with whether someone was most likely to receive a 24-month or 36-month AFDC/TANF time limit and on subgroups defined by sample members' educational attainment status and work experience at the time they entered the study.

The chapter examines FTP's impact on the income these individuals received from earnings, AFDC/TANF payments, and Food Stamp payments over the three-year period following their entry into the study. The third year is a critical period in the study because some sample members began reaching their AFDC/TANF time limit and had their benefits canceled. As a result, the chapter focuses special attention on the extent to which FTP changed the *mix* of earnings and welfare income, as well as on the impact it had on the *amount* of income sample members received from these sources.

I. Findings in Brief

- **FTP both increased total income and reduced reliance on public assistance over the full three-year follow-up period. During the third year of follow-up, FTP substantially reduced the amount of public assistance sample members received, but this loss was more than offset by earnings gains.**

As discussed in the previous report from this evaluation, the primary effect of FTP during the first two years of follow-up was to increase the number of people combining work and welfare. This was due, in part, to FTP's work incentive, which allowed individuals to earn more while remaining eligible for AFDC/TANF at somewhat smaller benefit levels. Although FTP produced modest reductions in the average amount of AFDC/TANF and Food Stamp grants during the first two years, these were more than offset by increases in earnings.

During the third year of follow-up, FTP produced substantial reductions in AFDC/TANF receipt as some FTP group members began to reach the time limit and have their benefits canceled. Overall, however, FTP continued to produce significant increases in earnings that offset the reductions in AFDC/TANF and Food Stamps. In short, FTP both increased total average income *and* decreased the proportion of that income that was derived from welfare.

- **There were no consistent or systematic differences in FTP's impacts among subgroups defined by characteristics associated with the type of AFDC/TANF time limit they were most likely to receive.**

Overall, the pattern of impacts among those likely to be assigned a 36-month time limit and among those likely to be assigned a 24-month time limit were similar to those exhibited in the full study sample. That is, over the course of the three-year follow-up period, both subgroups experienced increases in earnings that offset reductions in their AFDC/TANF and Food Stamp benefits. There was a modest difference between the subgroups in the timing of these impacts. Specifically, the largest earnings impacts for the 24-month group occurred during the first two years of follow-up, while the largest impacts on earnings for the 36-month group were concentrated in the third year of follow-up. It will be important to track FTP's longer-term impact on the mix of income sources for those most likely to be assigned 36-month time limit as more of these individuals begin to reach the point at which their AFDC/TANF benefits expire.

- **Those with severe barriers to employment (those having no high school diploma or GED and no recent work experience when they entered the study) were least likely to benefit from FTP. In fact, this group experienced significant losses in income throughout the three-year follow-up period.**

Other than a small (but not statistically signficant) increase in earnings during the second year of follow-up, sample members with no high school diploma or GED and no recent work experience did not benefit from FTP in terms of accruing more income from earnings, AFDC/TANF payments, or Food Stamp payments over the three year follow-up period. In fact, for this group FTP produced reductions in AFDC/TANF and Food Stamp payments that were nearly four times larger than the small increase in earnings. This resulted in a significant loss of total income.

To provide a context for discussing these findings in greater detail, Section II describes the data sources used in the impact analyses and highlights several issues that provide a context for interpreting the results. The results for the full report sample are then presented (Section III), followed by findings for the subgroups defined by characteristics that determine the type of AFDC/TANF time limit that was most likely to be assigned by FTP (Section IV). Section V then presents findings for selected subgroups of the sample defined by level of job readiness. The final section presents a brief summary of impact findings for other subgroups of the sample, including those defined by the extent of previous welfare receipt, by the age of the youngest child in the household, and by race/ethnicity.

II. Data and Analytical Issues

This chapter focuses on three sources of income obtained by members of the report sample: earnings they received from work and that were reported to the state's Unemployment Insurance system; AFDC/TANF payments they received in Florida; and Food Stamp payments they received in Florida. The primary source of information about this income was computerized ad-

ministrative records kept by the State of Florida. These records provide information about earnings and public assistance obtained by sample members in any county in Florida. The rules for recording information in these records apply equally to all state residents. As a result, the records provide unbiased measures of earnings and public assistance receipt for both FTP and AFDC groups. However, these data are not available for earnings or public assistance obtained in other states nor for income obtained from other sources, such as financial or in-kind support from other family members or earnings not reported to the state's Unemployment Insurance system. Such income are not measured and do not appear in this report. Following is a more detailed description of the data sources used in the chapter.

1. Employment and earnings data. Earnings reported by employers to the state's Unemployment Insurance (UI) system provide measures of employment and earnings by calendar quarter (January through March, April through June, July through September, and October through December). As noted in Chapter 1, the impact analyses presented in this chapter make use of employment and earnings data for the period from April 1993 (four quarters prior to the first random assignment) through March 1998 (twelve quarters following the last random assignment) for this sample.[1]

This means that three full years of post-random assignment UI earnings data are available for all 2,815 members of the report sample.[2] The tables in this chapter present employment and earnings impact findings for selected individual quarters (such as the last quarter of each year of follow-up) as well as cumulative impacts by year and for the full three-year follow-up period.

The analyses also make use of UI data for four calendar quarters prior to each sample member's date of random assignment. These data are used to increase the precision of the impact estimates by controlling for random differences in background characteristics of the FTP and AFDC groups.

It is important to note that the measures of income used in this chapter do not include the federal Earned Income Tax Credit (EITC) — a refundable credit for taxpayers with annual earnings up to $30,095. The EITC may be as large as $3,756 in 1998.[3] As a result, the income meas-

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[1]Employers report earnings information to the state's Unemployment Insurance system on an ongoing basis. As a result, the last quarter of the follow-up period for this report (January through March 1998) may not include a complete record of earnings and employment for some sample members. Previous analysis of these data suggests that the findings are not likely to change substantially when the UI data are more complete.

[2]For some sample members, the calendar quarter in which random assignment took place may have included some earnings secured before the actual date of random assignment; therefore, for all sample members, the quarter in which random assignment occurred is not counted in the analysis of program impacts. Thus, quarter 1 corresponds to the quarter following the quarter of random assignment.

[3]This amount applies to workers raising two or more children in 1998. Workers raising one child in their homes, who earned less than $26,473, may be eligible for an Earned Income Tax Credit of up to $2,271. Some caution must be exercised when interpreting the impact of the EITC on the income of sample members. For example, it is not clear what percentage of sample members declare the EITC on their tax forms. Studies suggest that roughly 85 percent of families eligible for the EITC actually receive it. However, there is some evidence that take-up rates may be lower among welfare recipients. For example, a periodic survey in Washington State has found that about 40 percent to 50 percent of former and current welfare recipients who worked in the prior year claimed the EITC on that year's tax form.

ures used in this chapter are likely to underestimate the actual amount of income sample members acquired, particularly sample members with earnings up to the EITC threshold.

2. AFDC/TANF and Food Stamp data. Florida's computerized public assistance benefits system known as the FLORIDA (Florida On-Line Recipient Integrated Data Access) System provided monthly AFDC/TANF payment records and Food Stamp issuance records for this evaluation. As noted in Chapter 1, the impact analyses in this chapter make use of AFDC/TANF and Food Stamp data for the period from April 1993 (12 months prior to the first random assignment) through March 1998 (36 months following the last random assignment) for this sample. For the analysis in this chapter, AFDC/TANF and Food Stamp payments were aggregated into calendar quarters to match the intervals covered by the UI earnings data.

This report focuses on the first three years of post-random assignment AFDC/TANF and Food Stamp data which are available for all members of the report sample.[4] The tables in this chapter present impact findings for selected individual quarters (such as the last quarter of each follow-up year) as well as impacts that were aggregated by year and over the full three years of follow-up. The analysis also makes use of AFDC/TANF and Food Stamp data for the four calendar quarters prior to each sample member's date of random assignment.

A. What Are Impacts?

When analyzing the effects of FTP on individual behavior, it is important to distinguish between measures of program "outcomes" and measures of program "impacts." "Outcomes" refers to the status or behavior of sample members at various points during the follow-up period. The primary outcomes used in this evaluation capture sample members' employment and AFDC/TANF and Food Stamp status as well as the amount of income they derived from earnings and AFDC/TANF and Food Stamp payments.

An "impact" is FTP's effect on an outcome. The average outcome levels for the FTP group alone provide potentially misleading measures of the impacts of FTP. Previous research has shown that many individuals find work and leave AFDC/TANF for reasons not necessarily related to a special intervention like FTP.[5] In order to determine the net effect of FTP, it is necessary to compare the experiences of a group of individuals who were exposed to FTP with a similar group of individuals who were not.

In this study, the FTP and AFDC groups were created using random assignment to ensure that there were no systematic differences between them in their background characteristics. From the report sample, 1,405 (50 percent) individuals were randomly assigned to the FTP group. FTP group members were subject to FTP's participation requirements and time limits and were eligible for its services and work incentives. The remaining 1,410 (50 percent) sample members were randomly assigned to the AFDC group and were neither required nor eligible to participate in

[4]Although nearly three and a half years of AFDC/TANF and Food Stamps follow-up data are available, the report covers only three years of follow-up to match the follow-up period for data available for UI earnings.

[5]See, for example, Bane and Ellwood, 1994.

FTP, but they were eligible (and, in some cases, required) to participate in Florida's Project Independence program and could use other services available in the community.

Because the AFDC group for this study had the same characteristics on average as members of the FTP group but were not required or permitted to participate in FTP, their behavior serves as a benchmark for how the FTP group would have behaved in the absence of FTP.[6] Impacts are estimated by measuring the difference between average outcome levels for the FTP and AFDC groups. It is also important to note that all sample members are included in calculations of outcome measures. For example, estimates of average earnings per FTP group member or per AFDC group member include zero dollar amounts for sample members who were not employed during the follow-up period. To the extent that FTP moves people from unemployment to employment, or encourages AFDC/TANF or Food Stamp recipients to leave the rolls, excluding the resulting zero values from the FTP or AFDC group would lead to serious underestimation of program impacts.

A final issue of interpretation concerns the "statistical significance" of impact estimates. Statistical significance is a measure of the degree of certainty that some non-zero impact actually occurred. If an impact estimate is statistically significant, then one may conclude with some confidence that the program really had an effect. If an impact estimate is not statistically significant, then the non-zero estimate is more likely to be the product of chance.

Statistical significance does not directly indicate the magnitude or importance of an impact estimate, but only whether any impact occurred. In an evaluation such as this one, numerically small impact estimates are usually not statistically significant. Some numerically large impact estimates may not be statistically significant, however, particularly when sample sizes are small. Smaller sample sizes yield less reliable impact estimates — estimates in which one can have less confidence — than are possible when samples are larger. For the full report sample, sample sizes are relatively large. Later in the chapter, smaller sample sizes are created by breaking up the full sample for subgroup analyses. Therefore, an estimate of a given magnitude that is statistically significant for the full sample may not be statistically significant for a subgroup.

B. The Behavior of the AFDC Group: The Benchmark for Measuring FTP's Impacts

In general, the AFDC/TANF and Food Stamp receipt and average payment amounts for the AFDC group declined steadily during the three-year follow-up period for this report. For example, approximately 84 percent of the AFDC group received AFDC/TANF payments at some point during the follow-up period. Over 85 percent of those who received AFDC/TANF discontinued their receipt for at least one quarter during the follow-up period. Over time, the percentage of AFDC group members who received AFDC/TANF declined until only 28 percent were receiving AFDC/TANF at the end of the third year. The AFDC group's Food Stamp receipt rates

[6]As discussed in Chapter 2, some members of the AFDC group also believed they were subject to a time limit, and this may have affected their behavior in similar ways to that of FTP group members. As a result, these estimates may underestimate the full effect of FTP as represented by its comparison with an AFDC group that did not include individuals who believed they were subject to a time limit.

and payment amounts also declined steadily, although not as sharply. Approximately 90 percent of the AFDC group received Food Stamps during the three-year follow-up period; by the end of the third year, 45 percent were still receiving Food Stamps.

The decline in AFDC/TANF receipt is more dramatic than has been found in other studies of welfare-to-work programs, including those undertaken in Florida. For example, the evaluation of Florida's Project Independence followed a statewide sample of AFDC applicants and recipients over a two-year period between 1991 and 1993.[7] In fact, the members of the program group from that study were subject to many of the same participation requirements and had access to many of the same services as the AFDC group in the current study. At the end of that two-year follow-up period for the Project Independence evaluation, 54 percent of the control group and 51 percent of the program group were still receiving AFDC. By contrast, only 39 percent of the AFDC group in the FTP evaluation were receiving AFDC/TANF payments at the end of the second year of follow-up. Comparisons of trends from the FTP and Project Independence studies should be interpreted cautiously because of differences in their research designs, samples, and economic conditions during the follow-up periods.[8]

The percentage of AFDC group members employed was more stable over the three-year follow-up period. Approximately 78 percent were employed at some point during the follow-up period, and this percentage increased from about 38 percent in the first quarter of follow-up to about 44 percent three years later. These employment rates are somewhat higher than those found in other studies. In the Project Independence evaluation, 38 percent of both the program and the control groups were employed at the end of the second year of follow-up. This compares with 45 percent of the AFDC group in the current study working at the end of two years.

The pattern of declining AFDC/TANF receipt rates for the AFDC group tracks the steady reduction in AFDC caseloads across the State of Florida during this period (see Chapter 1). These differences suggest that FTP is being implemented in a different environment and context than was the case for previous welfare reform initiatives. Part of this difference may be due to the relatively strong local economy, and part may be due to changes in the public discourse about welfare policy and attitudes toward welfare recipients. For example, as discussed in the introductory chapters, there has been a growing awareness in Escambia County, and around the country, that public assistance rules have changed in significant ways and now include limits on how long people may receive cash assistance. Some AFDC group members may have been influenced by this information in a general way (for example, by wanting to avoid the growing stigma associated with being on welfare), while others believed (erroneously) that they were subject to FTP or WAGES[9] requirements. To the extent that this may be the case, the behavior of the AFDC group may be more like that of the FTP group in this study. As a result, the estimates

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[7] See Kemple, Friedlander, and Fellerath, 1994.

[8] For example, the Project Independence evaluation was conducted in nine counties from across the state including Dade County. Nearly 90 percent of the individuals in the Project Independence sample were AFDC applicants compared to just over 50 percent of the FTP sample. Finally, the Project Independence evaluation was conducted during a period of recession in Florida and a time when AFDC caseloads were the largest in state history. As a result, caution should be exercised when drawing broad conclusions from a comparison between the two studies.

[9] Florida's new statewide welfare reform initiative.

of FTP's impact presented in this chapter may underestimate what the effect would have been had the AFDC group not been influenced by misinformation about their status regarding FTP.

III. Three-Year Impacts for the Full Report Sample

Figure 5.1 is a bar graph illustrating the amount of income that FTP and AFDC group members derived from UI-reported earnings, Food Stamp payments, and AFDC/TANF payments during each year of the three-year follow-up period. Each set of two bars corresponds to one year of the follow-up period. The left bar for each year indicates the amount of income for the FTP group, and the right bar indicates the amount of income for the AFDC group. The bottom section of each bar indicates the amount of income derived from earnings, the middle section indicates the amount of income derived from Food Stamp payments, and the top section indicates the amount of income derived from AFDC/TANF payments.

Figure 5.1 shows that, for both the FTP and AFDC groups, the distribution of income across the three sources changed dramatically over the follow-up period. Specifically, for both the FTP and AFDC groups, earnings levels increased from one year to the next, while AFDC/TANF and Food Stamp payments decreased.[10] During each year, however, FTP group members had higher earnings than the AFDC group. In fact, by the third year of the follow-up period, FTP group members earned an average of $862 more than AFDC group members (an average of $4,741 for the FTP group compared to $3,880 for the AFDC group). Although FTP group members received $301 less in AFDC/TANF and $112 less in Food Stamp payments than their AFDC group counterparts in the third year, FTP's impact on earnings offset this reduction in income by a margin of more than two to one. As a result, the FTP group obtained $449 more in total income than the AFDC group (a 7 percent increase over the AFDC group's income of $6,046). In sum, not only did FTP increase overall income for FTP group members compared to their AFDC group counterparts, but a higher proportion of the FTP group's income came from earnings.[11]

Table 5.1 provides a more detailed breakout of the impact that FTP had on the amount of income sample members obtained from UI-reported earnings, AFDC/TANF payments, and Food Stamp payments over the three-year follow-up period. It also includes findings on FTP's impact on the percentage of sample members who obtained income from these sources during the last

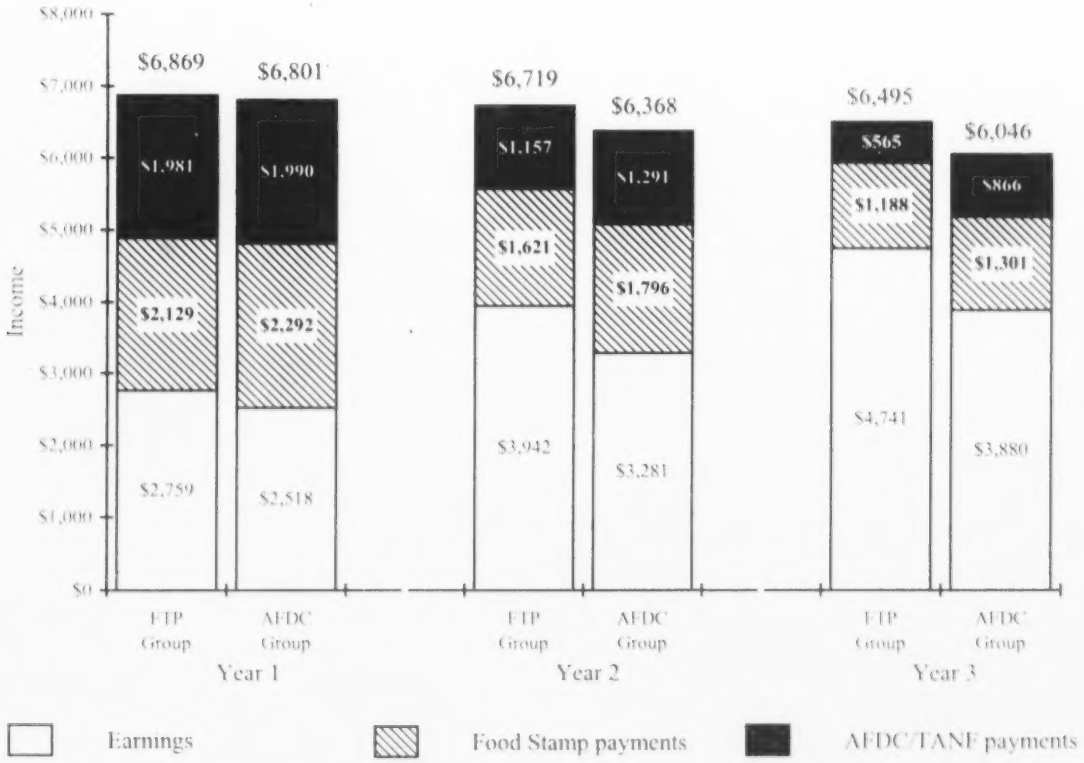
[10]It is important to note that the average income amounts in Figure 5.1 include FTP and AFDC group members who had no income from these sources. Although there were no differences in the percentage of FTP and AFDC group members who had no income from these sources, the percentage for each group increased each year. Specifically, 3 percent of both groups had no income from these sources in year 1, 13 percent in year 2, and 18 percent in year 3. As a result, the total income actually increased from year to year for both FTP and AFDC group members who had received some earnings, AFDC/TANF payments, or Food Stamp payments. This can be determined by dividing the amounts listed in Figure 5.1 by the percentage of sample members who did have some income.

[11]As noted earlier, the total income amounts discussed in this chapter do not include the EITC. Given that FTP group members derived a higher proportion of their income from earnings, it is likely that they would derive a greater benefit from the EITC. To the extent that this is the case, the differences in total income between the FTP and AFDC groups would be even larger.

Figure 5.1

Florida's Family Transition Program

Composition of Income for FTP and AFDC Group Members, by Year



SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

Table 5.1

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed, years 1-3 (%)	81.6	77.7	3.9 ***	5.0
Last quarter of year 1	45.2	40.8	4.3 **	10.6
Last quarter of year 2	52.8	44.5	8.3 ***	18.7
Last quarter of year 3	49.7	44.2	5.5 ***	12.5
Average total earnings, years 1-3 ($)	11,442	9,679	1,763 ***	18.2
Year 1	2,759	2,518	241 *	9.6
Year 2	3,942	3,281	661 ***	20.1
Year 3	4,741	3,880	862 ***	22.2
Ever received any AFDC/TANF payments, years 1-3 (%)	84.1	83.5	0.5	0.6
Last quarter of year 1	56.6	54.4	2.2	4.1
Last quarter of year 2	36.3	38.5	-2.2	-5.7
Last quarter of year 3	18.6	27.9	-9.3 ***	-33.3
Average total AFDC/TANF payments received, years 1-3 ($)	3,703	4,147	-444 ***	-10.7
Year 1	1,981	1,990	-9	-0.5
Year 2	1,157	1,291	-134 ***	-10.4
Year 3	565	866	-301 ***	-34.8
Average number of months receiving AFDC/TANF payments, years 1-3	16.5	17.4	-0.9 ***	-5.0
Ever received any Food Stamp payments, years 1-3 (%)	90.5	90.1	0.3	0.4
Last quarter of year 1	68.6	68.3	0.2	0.3
Last quarter of year 2	55.2	56.4	-1.3	-2.2
Last quarter of year 3	42.6	45.4	-2.8	-6.2
Average total value of Food Stamp payments received, years 1-3 ($)	4,938	5,389	-451 ***	-8.4
Year 1	2,129	2,292	-163 ***	-7.1
Year 2	1,621	1,796	-176 ***	-9.8
Year 3	1,188	1,301	-112 **	-8.6
Average total income from earnings, AFDC/TANF, and Food Stamps, years 1-3 ($)	20,083	19,215	868 *	4.5
Year 1	6,869	6,801	69	1.0
Year 2	6,719	6,368	351 *	5.5
Year 3	6,495	6,046	449 **	7.4
Sample size	1,405	1,410		

(continued)

Table 5.1 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

quarter of each year. Following is a more detailed discussion of FTP's impact on each of the sources of income discussed above.

A. Impacts on Employment and Earnings

The first two sections of Table 5.1 show FTP's impact on employment rates and earnings, respectively. They indicate that FTP produced increases in both employment and earnings over the three-year follow-up. The employment impact grew between the first and second years and then decayed somewhat by the end of the third year. The impact on average total earnings continued to increase through the third year of follow-up.

The first line in Table 5.1 shows FTP's impact on the percentage of FTP group members who were employed during at least one quarter of the three-year follow-up period. It shows that about 82 percent of the FTP group were employed during the three-year follow-up period compared to 78 percent of the AFDC group. This 4 percentage point difference is the impact of FTP and represents a 5 percent increase in employment for FTP group members over and above the AFDC group average. The difference between the two groups increased gradually over the first two years of follow-up and then began to narrow somewhat during the third year.[17] During the last quarter of the third year, 50 percent of the FTP group were employed compared to 44 percent of the AFDC group. Although these findings are quite positive, they also provide sobering information about the employment prospects of the FTP and AFDC groups. For example, according to the UI earnings system, nearly 20 percent of both groups had not worked at all during the three-year period, and half of the FTP group were not employed at the end of the follow-up period. In addition, approximately 40 percent of those who held a job at some point during the follow-up period had left those jobs and were not working at the end of the third year.

The second section of Table 5.1 shows FTP's impact on UI-reported earnings. It shows that the program increased the total three-year earnings of the FTP group by an average of $1,763 over the AFDC group (an 18 percent increase over the AFDC group average). The difference in earnings between the FTP and AFDC groups increased steadily over the course of the follow-up period. During the first year, earnings for the FTP group were an average of $241 higher than those of the AFDC group (a 10 percent increase). During the second year, earnings for the FTP group were an average of $661 higher than those of the AFDC group (a 20 percent increase). During the third year, earnings for the FTP group were an average of $862 higher than those of the AFDC group (a 22 percent increase).

FTP's overall impact on earnings appears to have been generated by two factors: an increase in the likelihood of being employed and an increase in how much FTP group members earned when they were employed. In addition, the difference in earnings among employed FTP and AFDC sample members increased over the follow-up period. For example, during the first year of follow-up, employed FTP group members earned $1,632 compared to $1,601 for employed AFDC group members — a $31 difference (see Appendix Table C.1). During the third year of follow-up, this difference had grown to an average of $146 per quarter employed (employed FTP group members earned an average of $2,330 per quarter, and employed AFDC

[17] See Appendix Table C.1 for a list of quarterly outcomes and impacts.

group members earned an average of $2,184 per quarter). In short, not only were FTP group members more likely to have been employed than those in the AFDC group, but they also earned more during each quarter they worked. The additional earnings among employed FTP group members may have resulted from their obtaining a higher hourly wage, working more hours per week, or working more weeks per quarter. The UI-reported earnings used in this report do not permit a breakdown of earnings by hourly wage, hours worked, or weeks worked.[11]

B. Impacts on AFDC/TANF Receipt and Payments

Table 5.1 indicates that FTP had virtually no cumulative impact on AFDC/TANF receipt rates until the third year of follow-up. FTP and AFDC group members were about equally likely to be receiving AFDC/TANF during each quarter of the first two years of follow-up period (see Appendix Table C.1). As discussed earlier, FTP's earnings disregard enabled sample members to earn more while still remaining eligible for AFDC/TANF (although at a somewhat lower amount). There was some concern among policy makers that this may have resulted in *higher* overall rates of AFDC/TANF receipt during the first two years of follow-up. The findings in Table 5.1 indicate that, on average, this was not the case, although FTP may have induced some sample members to move off AFDC/TANF while it induced others to remain on.

Throughout the third year, the percentage of FTP group members receiving AFDC/TANF declined more rapidly than the percentage of AFDC group members receiving AFDC/TANF. As shown in Table 5.1, during the last quarter of the third year, approximately 19 percent of the FTP group were receiving AFDC/TANF compared to 28 percent of the AFDC group. This 9 percentage point difference represents a large, one-third reduction in AFDC/TANF receipt rates. As noted earlier, this is particularly notable in light of the unusually low AFDC/TANF receipt rates among the AFDC group. This impact was likely to have resulted, at least in part, from the fact that some FTP group members had reached their AFDC/TANF time limit during the third year of follow-up and had their benefits canceled. In all, 7 percent of the FTP group had their benefits canceled during the third year of the follow-up period.

Table 5.1 also shows that FTP had a modest impact on AFDC/TANF payments during the second year of follow-up and that this impact more than doubled in the third year. Specifically, during the second year of follow-up, FTP reduced AFDC/TANF payments by an average of $134 (a nearly 11 percent reduction compared to the AFDC group average of $1,990). During the third year of follow-up FTP had reduced average AFDC payments by just over $300, a 35 percent reduction compared to the control group average of $866 for the third year.

Although not shown in Table 5.1, further analysis was conducted on the rates at which FTP and AFDC group members left the AFDC/TANF rolls and then returned. This analysis indicated that FTP had virtually no effect on this type of AFDC/TANF recidivism. For example,

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[11]Results from an earlier survey of FTP and AFDC group members indicated that employed FTP and AFDC group members had similar hourly wages but that employed FTP group members were more likely to work at least 40 hours per week (see Bloom et al., 1998). The next report from the FTP evaluation will include findings from a survey of FTP and AFDC group members at four years following their entry into the study. This will include information about wages, hours worked, and other characteristics of the jobs that sample members held.

among those who left AFDC/TANF in Year 1, about 40 percent of both groups returned to the rolls during the second or third years of follow-up. However, FTP group members were more likely to leave AFDC/TANF again before the end of the follow-up period.

C. Impacts on Food Stamp Receipt and Payments

The bottom two sections of Table 5.1 present findings on FTP's impact on Food Stamp receipt rates and payment amounts over the follow-up period. They show that, while FTP did not have an effect on Food Stamp receipt rates, the program did reduce the amount of Food Stamp payments received by FTP group members. FTP reduced Food Stamp payments by an average of $451 per FTP group member over the first three years of follow-up (an 8.4 percent reduction compared to the AFDC group average of $5,389). The impact of FTP on reducing Food Stamp payments was generally consistent throughout the first two years of the follow-up period but then decayed somewhat in the third year (see Appendix Table C.1).

FTP's impact on Food Stamp payments is particularly important because on average, as shown in Table 5.1, sample members received more income from Food Stamps than they did in AFDC/TANF payments and because both earnings from work and AFDC/TANF payments are included in the calculation of Food Stamp grants. Thus, the relatively large increase in earnings among FTP group members is likely to have accounted for the reduction in Food Stamp payments. However, the larger reductions in AFDC/TANF payments during the third year of follow-up may account for the modest decay in Food Stamp payment impacts. Also, the dramatic reduction in AFDC/TANF payments during the third year combined with the more modest reduction in Food Stamp payments means that Food Stamps make up a higher proportion of total income for FTP group members.

D. Impacts on Combining Employment and AFDC/TANF Receipt

Table 5.2 displays FTP's impact on the extent to which sample members combined employment and AFDC/TANF receipt during the three-year follow-up period. To create the measures in this table, sample members were classified into one of four mutually exclusive categories defined by their employment and AFDC/TANF receipt status in each quarter of follow-up. Impact estimates are the differences between the percentage of FTP group members in each category and the percentage of AFDC group members in each category. The four sections of Table 5.2 show the distribution of the sample across each of these four statuses during the last quarter of each of the three years of follow-up.

During the first two years of follow-up, Table 5.2 shows that the primary effect of FTP was on reducing the percentage of FTP group members in the first status — "not employed and received AFDC/TANF" — and increasing the percentage in the second status — "employed and received AFDC/TANF." This may be due, in part, to FTP's more generous earnings disregard, which enabled FTP group members to earn more while remaining eligible for AFDC/TANF. At the end of the second year, there was also a modest increase in the percentage who were "employed and did not receive AFDC/TANF."

A very different pattern of impacts emerged during the third year of follow-up. Here, the primary effect of the program was to reduce the percentage of FTP group members who were

Table 5.2

Florida's Family Transition Program

Three-Year Impacts on Combined Employment and AFDC/TANF Receipt Status

Outcome (%)	FTP Group	AFDC Group	Difference	Percentage Change
Not employed and received AFDC/TANF				
Last quarter of year 1	33.0	36.4	-3.4 **	-9.4
Last quarter of year 2	17.9	25.4	-7.5 ***	-29.7
Last quarter of year 3	10.6	17.7	-7.1 ***	-40.0
Employed and received AFDC/TANF				
Last quarter of year 1	23.6	18.0	5.6 ***	31.2
Last quarter of year 2	18.4	13.1	5.3 ***	40.7
Last quarter of year 3	8.0	10.1	-2.2 **	-21.5
Employed and did not receive AFDC/TANF				
Last quarter of year 1	21.5	22.8	-1.3	-5.6
Last quarter of year 2	34.4	31.4	3.0 *	9.5
Last quarter of year 3	41.7	34.0	7.7 ***	22.7
Not employed and did not receive AFDC/TANF				
Last quarter of year 1	21.9	22.8	-0.9	-4.0
Last quarter of year 2	29.3	30.1	-0.8	-2.6
Last quarter of year 3	39.7	38.1	1.6	4.1
Sample size	1,405	1,410		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records and AFDC/TANF records.

NOTES: Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

receiving AFDC, *including those who were also employed*, and to increase the percentage in the third status — "employed and did not receive AFDC/TANF." This effect is likely to be due, at least in part, to the fact that some members of the FTP group began to reach their AFDC/TANF time limit and have their benefits canceled. As noted earlier, 7 percent of the FTP group reached the time limit during the third year of follow-up. Further analysis indicated, however, that nearly two-thirds of both the FTP and the AFDC group members who left AFDC/TANF during the third year of follow-up (including FTP group members who had their benefits canceled) were working after they left the rolls.

Interestingly, the percentage of both the FTP and the AFDC group members who were in the fourth status — "not employed and did not receive AFDC/TANF" — nearly doubled over the course of the three-year follow-up period. At the end of the third year, nearly 40 percent of both groups were "not employed and did not receive AFDC/TANF." As discussed in the next section, about 22 percent of these sample members were receiving Food Stamps at the end of the third year of follow-up, and another 30 percent received earnings, AFDC/TANF, or Food Stamps at some other point during this year. The remaining sample members (nearly 20 percent of both the FTP and the AFDC groups) had no record of income from UI earnings, AFDC/TANF, or Food Stamps during the entire third year of follow-up. Some of these sample members may have moved out of Florida and obtained income in another state. Others may have relied on income or support from other sources such as family members or employment that was not recorded in the UI system.

E. Impacts on Combined Income from UI-Reported Earnings, AFDC/TANF Payments, and Food Stamp Payments

As summarized at the start of this section of the chapter, FTP produced increases in total income from earnings, AFDC/TANF payments, and Food Stamp payments, *and* it increased the proportion of that income that was derived from earnings. Table 5.3 builds further on this overarching finding by showing the amount of income sample members derived from earnings, AFDC/TANF, and Food Stamps during the last quarter of the three-year follow-up period. It also shows impacts on various indicators of self-sufficiency and welfare dependence that are represented by the proportion of income derived from these sources during the last quarter of the third year of follow-up.

The first line of Table 5.3 indicates that, at the end of the three-year follow-up period, total income from earnings, AFDC/TANF, and Food Stamps for the FTP group was modestly higher than total income from these sources for the AFDC group. As discussed earlier, the impact on total income from these sources increased over the three years of follow-up. At the end of the third year, the FTP group had $121 more in income than the AFDC group (an 8 percent increase over the AFDC group average of $1,453). Given the reductions in AFDC/TANF and Food Stamp payments discussed earlier, this highlights the fact that the earnings gains more than offset the loss in income from public assistance.

The second section of Table 5.3 shows FTP's impact on the percentage of the sample who fell into various income brackets at the end of the third year of follow-up. It indicates, first, that between 30 and 31 percent of both research groups had no income from earnings,

Table 5.3

Florida's Family Transition Program

Impacts on Income from Earnings, AFDC/TANF, and Food Stamps During the Last Quarter of Year 3

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average total income from earnings, AFDC/TANF, and Food Stamps, last quarter of year 3 ($)	1,574	1,453	121 *	8.3
Income brackets (%)				
$0	29.7	31.0	-1.4	-4.4
$1-$1,500	30.7	28.2	2.5	8.9
$1,501-$2,400	11.9	16.3	-4.4 ***	-27.1
$2,401-$3,000	8.3	9.3	-1.0	-10.6
$3,000 or more	19.5	15.2	4.3 ***	28.0
Proportion of income from earnings (%)	42.0	36.0	6.0 ***	16.5
Proportion of income from AFDC/TANF (%)	7.9	12.4	-4.6 ***	-36.8
Proportion of income from Food Stamps (%)	20.5	20.5	0.0	-0.1
50% or more of income is derived from earnings (%)	43.9	37.7	6.2 ***	16.3
50% or more of income is derived from AFDC/TANF and Food Stamps (%)	26.4	31.2	-4.8 ***	-15.3
More than $2,400 quarterly income and less than 50% of income is from AFDC/TANF and Food Stamps (%)	26.5	22.4	4.1 ***	18.2
Sample size	1,405	1,410		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

AFDC/TANF payments, or Food Stamp payments. These individuals may have obtained income from other members of the household or from informal employment, or they may have moved to another state.[14]

More broadly, this section of the table indicates that FTP decreased the percentage of FTP group members in the lower income brackets and increased the percentage in the highest income bracket (those with $3,000 or more in income from these sources). This is noteworthy because FTP and AFDC group members were about equally likely to have some income from these sources. FTP's primary impact was on moving people into higher income brackets. FTP's positive impact on total income during the third year of follow-up is particularly noteworthy because, as discussed earlier, some people had reached the time limit and experienced a reduction in their income as a result. The overall increase in income occurred because a larger portion of the FTP group experienced increases in earnings that more than offset the overall decreases in AFDC/TANF payments.

Table 5.3 presents several other measures of income distribution and self-sufficiency. For example, at the end of the third year of follow-up, FTP group members obtained an average of 42 percent of their income from earnings compared to an average of 36 percent for the AFDC group. Further, 44 percent of the FTP group members obtained at least half of their income from earnings compared to 38 percent of the AFDC group. The final measure in Table 5.3 provides some insight into the extent to which FTP is both increasing total income above a threshold (in this case $2,400 in the last quarter of follow-up) and reducing dependence on AFDC/TANF and Food Stamps (as indicated by their deriving less than half of their income from these sources). It shows that 26 percent of the FTP group fell into this category by the end of the third year of follow-up compared to 22 percent of the AFDC group. This 4 percentage point difference represents an 18 percent increase over the AFDC group level.

IV. Three-Year Impacts for Subgroups Defined by Characteristics That Determine the AFDC/TANF Time Limit

As discussed in Chapter 1, FTP guidelines specify that all nonexempt AFDC/TANF recipients are subject to a 24-month time limit (that is, AFDC/TANF benefits may not be received for more that 24 months in any 60-month period) unless they face particularly severe barriers to employment or have a history of welfare dependence. Those who meet the criteria for the em-

[14]The FTP evaluation includes a survey that is being administered to FTP and AFDC group members at four years following their entry into the study. This survey will provide information about mobility and about other sources of income. Last year, a special analysis looked at 85 sample members who responded to the two-year survey but who fell into the $0 income category in the administrative records during the quarter in which they were surveyed. This analysis found that 70 of the 85 respondents actually reported some income on the survey during a comparable time period. Of the 85 sample members, 46 reported that they had received earnings, suggesting that they were working either in another state or in jobs not covered by the Florida Unemployment Insurance system. In addition, 20 of the 85 sample members reported that they received child support in the prior month. Finally, 12 sample members reported that they received AFDC in the prior month. This analysis also found that these sample members were more likely to live in households where other members had income.

ployment barriers or welfare dependency are subject to a 36-month time limit (that is, AFDC/TANF benefits may not be received for more that 36 months in any 72-month period).[15] This section of the chapter examines FTP's impacts for sample members who had employment barriers or welfare histories that would likely have resulted in their being assigned a 36-month time limit and impacts for sample members who would likely have been assigned a 24-month time limit. This analysis is particularly important at this stage in the evaluation because the third year of the follow-up period marks the point when some sample members who were assigned a 24-month time limit began to use up all their allotted AFDC/TANF benefits and have their grants canceled.

Because members of the AFDC group were not assigned an AFDC/TANF time limit, subgroups were defined by inferring or imputing the type of AFDC/TANF time limit to which sample members would most likely have been assigned based on their self-reported AFDC/TANF receipt, educational attainment, and employment prior to entering the study. The Background Information Form (BIF), which was completed for each member of the report sample just prior to random assignment, included a series of questions that asked directly about the characteristics that were later used by FTP to determine the type of time limit that should be assigned. Responses to these questions were used to construct variables indicating whether each sample member was more likely to have been assigned a 36-month time limit or a 24-month time limit. Specifically, sample members were imputed to have a 36-month time limit if they met one of the following four criteria:[16]

1. they had received AFDC/TANF for 36 months of the past 60 months prior to entering the study; *or*

2. they were under 24 years of age and did not have a high school diploma or GED certificate and were not enrolled in high school or a GED program; *or*

3. they were under 24 years of age and had worked fewer than three months during the year prior to entering the study; *or*

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[15]As discussed in Chapter 1, according to FTP rules, individuals who can be assigned a 36-month time limit include (1) those who have received AFDC/TANF for 36 months of the past 60 months prior to assignment to FTP *or* (2) those under 24 years of age who (a) do not have a high school diploma or GED certificate and are not enrolled in high school or a GED program *and* (b) have little or no work history (defined as having worked three months or fewer in the past 12 months).

There is some evidence from interviews with FTP caseworkers that there may have been some confusion, particularly early in FTP's implementation, about how to apply the time-limit criteria. Specifically, some workers assigned participants to a 36-month time limit if they met condition 2a *or* 2b rather than meeting both 2a *and* 2b. For example, some FTP participants may have been assigned a 36-month time limit even though they had worked more than four months in the previous year and had received AFDC/TANF during fewer than 36 months in the previous 60 months. This could have occurred for those under 24 with no high school diploma or GED.

[16]Although FTP rules indicate that individuals must meet criteria 2 *and* 3 if they do not meet criteria 1, analyses conducted for this report indicated that meeting criteria 2 *or* 3 provided a more accurate match between the imputed time limit and the actual time limit assigned.

4. they had received AFDC/TANF for five or more years on their own or their spouse's AFDC/TANF case.[17]

All other sample members were imputed to have a 24-month time limit. Because the definition of the "imputed" 24-month and 36-month time-limit subgroups is based on pre-random assignment baseline data, the definitions apply equally to both FTP and AFDC group members. Appendix Table A.2 shows the baseline characteristics of sample members in the two imputed time limit subgroups.

Overall, 53 percent of the report sample had background characteristics that would most likely make them eligible for the 36-month time limit. This group will be referred to as the "imputed 36-month time-limit subgroup." The remaining 47 percent of the report sample had background characteristics that would most likely make them eligible for a 24-month time limit. This group will be referred to as the "imputed 24-month time-limit subgroup." The distribution of the imputed time limit among the report sample was different than the distribution of the time limit actually given to FTP group members. Specifically, according to the FTP Case Management System,[18] 44 percent of FTP group members were actually assigned a 36-month time limit (compared to 53 percent of the FTP group imputed to have a 36-month time limit). The remaining 56 percent of FTP group members were actually assigned a 24-month time limit (compared to about 47 percent of the FTP group imputed to have a 24-month time limit).

The imputed time limit and the actual time limit were the same for 74 percent of FTP group members. As shown in the table below, the match rate was highest for those imputed to have a 24-month time limit. As the table shows, 33 percent of FTP group members in the imputed 36-month time limit subgroup were actually assigned a 24-month time limit. Also, 19 percent of those in the imputed 24-month time-limit subgroup were actually assigned a 36-month time limit.[19] This implies that some sample members who were imputed to have a 36-month time

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[17]Note that the fourth criterion used to define the imputed time-limit subgroups in this report was not used in previous FTP reports. This modification was made to obtain a higher match rate between the imputed time limit and the time limit actually given to FTP group members. An analysis found inconsistencies in self reporting on the background information form related to a sample member's AFDC/TANF history. Criterion 1 was supplemented with the response to a separate question about how long the respondent received AFDC/TANF on her or her spouse's case. When this fourth criterion was added, the match rate between the imputed time limit and the actual time limit assigned to FTP group members improved from 69 to 74 percent.

[18]The FTP Case Management System includes information about the actual time limit to which FTP participants are subject (see Chapter 3).

[19]The differences between the imputed and actual time limits are likely due to two factors. First, the actual time-limit indicator and the imputed time-limit variable were drawn from two different data sources. As indicated in Chapter 1, the information on the BIF (which was used to determine the imputed time limit) was self-reported by individual sample members at the time of random assignment. The actual time-limit indicator was determined by information provided by administrative records and information provided by the participant during a later interview with an FTP caseworker. For example, when completing the BIF, some FTP participants may not have recalled accurately how many months of AFDC/TANF they had received in the past 60 months. FTP case managers were able to obtain this information directly from the FLORIDA system, which issues and accounts for AFDC/TANF payments. Second, as discussed in an earlier note, the implementation of the time-limit criteria may have differed across FTP workers and over time.

limit, actually were subject to a 24-month time limit. Also, some sample members imputed to be in the 24-month group, didn't actually hit the time limit until the third year of follow-up.

Imputed vs. Actual Time Limit for the FTP Group

	Imputed Time Limit	
Actual Time Limit	24-Month	36-Month
24-month	81%	33%
36-month	19%	67%

Given the overall 74 percent match between the actual and imputed time limits, however, the results presented in this section of the chapter provide useful insights into differences in FTP's impact for subgroups of sample members who were most likely to be assigned a 24-month or 36-month time limit, respectively. The first two years of the follow-up period provide useful estimates of FTP's impacts for both groups before they were likely to begin hitting their time limits. The third year of follow-up includes the point at which FTP's time limit was more likely to affect the welfare status of those in the imputed 24-month time-limit subgroup. Nevertheless, because the imputed and actual time limit do not match in 26 percent of the cases, it is important to note that FTP's time limit may have affected some members of the imputed 36-month time-limit subgroup who actually had a 24-month time limit. As a result, caution should be exercised when interpreting the findings from the imputed time-limit subgroups.

Before discussing the impact findings for the imputed time-limit subgroups, there are three statistical issues to be considered when interpreting subgroup impact findings. First, as noted earlier, the statistical significance of impact estimates is sensitive to sample size. Impact estimates of a given magnitude are less likely to be statistically significant when sample sizes are small. Second, looking at subgroup impacts often requires not just an estimate of impact but an assessment of the magnitude of *differences* in impacts across subgroups. Tests of statistical significance were performed to determine the likelihood that the differences in impacts across subgroups were due to chance. Whenever such differences are statistically significant at the 10 percent level or lower, confidence is increased that the underlying impacts for the subgroups involved are distinct and not due to chance. The statistical significance of subgroup differences in impacts is indicated in the tables in the far right-hand column.

Finally, the subgroup impact findings presented here do not take into account impact differences that may be associated with other background characteristics that may differentiate the subgroups. For example, the imputed 36-month time-limit subgroup included a higher proportion of individuals with limited education or work histories. Some of these individuals received particularly intensive amounts of education and job placement services that they would not have received outside of FTP. Thus, difference in impact estimates for subgroups defined by the imputed time limit may be due to differences in prior education or employment as well as, or instead of, differences in the type of time limit they were likely to be assigned.

A. Impacts on Employment, Earnings, AFDC/TANF Receipt and Payments, and Food Stamp Receipt and Payments

Figure 5.2 presents graphs illustrating the amount of income that FTP and AFDC group members derived from UI-reported earnings, AFDC/TANF payments, and Food Stamp payments during each year of the three-year follow-up period. The top panel of the figure presents this information for the subgroup imputed to have a 24-month time limit, and the bottom panel presents this information for those imputed to have a 36-month time limit. The figure illustrates that the total income among those imputed to have a 36-month time limit was slightly higher than the income levels for those imputed to have a 24-month time limit. Those imputed to have a 24-month time limit, however, derived a substantially higher proportion of their income from earnings in each year of the follow-up period than did those imputed to have a 36-month time limit. It is also important to note that average earnings levels for both subgroups (and for FTP and AFDC group members within the subgroups) increased from year to year, while AFDC/TANF and Food Stamp payment amounts decreased.

Overall, Figure 5.2 does not reveal any consistent or systematic differences across the two imputed time-limit subgroups in the pattern of FTP's impact on the income sources. FTP produced a slightly larger increase in total income for those imputed to have a 24-month time limit during the first two years of the follow-up period. During the third year of follow-up, however, increases in income among those imputed to have a 36-month time limit were slightly larger than increases in income for those imputed to have a 24-month time limit. Reductions in AFDC/TANF receipt and payments among those imputed to have a 24-month time limit were slightly larger than reductions for those in the 36-month group. FTP did produce somewhat larger reductions in Food Stamp payments among those imputed to have a 24-month time limit. As discussed below, however, very few of the differences in FTP's impacts across the subgroups were statistically significant.

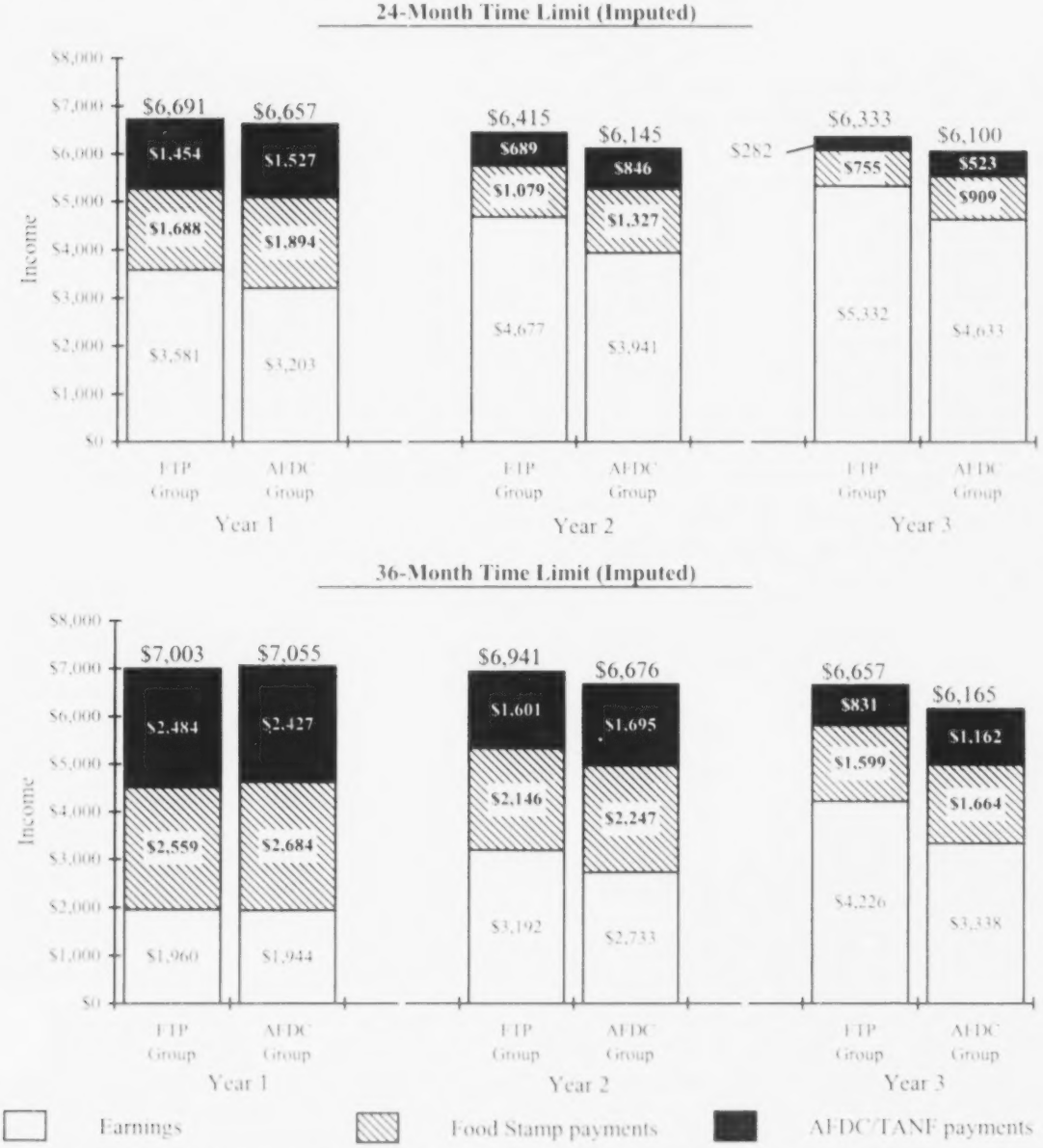
Table 5.4 presents a more detailed breakdown of FTP's impact on the amount of income that the two imputed time-limit subgroups derived from earnings, AFDC/TANF payments, and Food Stamp payments.

The first section of Table 5.4 indicates that both the employment impacts and the earnings impacts for the 36-month group increased dramatically from the first to the second year, while they increased more gradually for the 24-month group. By the end of the third year, the employment impact for the 36-month subgroup (8 percentage points) remained more than three times as large as the employment impact for the 24-month group (2 percentage points). During the third year, the earnings impact for the 36-month group ($887) was slightly larger than the earnings impact for the 24-month group ($699). With the exception of the impact on employment during the last quarter of the second year, none of the differences in the employment and earning impacts across the subgroups were statistically significant. It is important to note, however, that employment impacts for the 36-month group represent a larger percentage change over the AFDC group average than do the impacts for the 24-month group. For example, during the third year of follow-up, FTP produced an increase in earnings of $887 for those imputed to have a 36-month time limit. This represents a 27 percent increase over the control group average of $3,338.

Figure 5.2

Florida's Family Transition Program

Composition of Income for FTP and AFDC Group Members, by Year and AFDC/TANF Time-Limit Subgroups



SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Sample members were imputed to have a 36-month time limit for the purpose of this analysis if they received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

Table 5.4

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by AFDC/TANF Time-Limit Subgroups

Outcome	Sample Members with a 24-Month Time Limit (Imputed)				Sample Members with a 36-Month Time Limit (Imputed)				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Ever employed, years 1-3 (%)	81.3	79.7	1.6	2.0	82.2	76.8	5.4 ***	7.0	
Last quarter of year 1	49.8	45.5	4.4 *	9.6	40.9	37.5	3.4	9.1	
Last quarter of year 2	51.6	46.8	4.8 *	10.2	54.5	43.3	11.2 ***	25.9	*
Last quarter of year 3	47.2	44.8	2.4	5.4	52.6	44.8	7.8 ***	17.4	
Average total earnings, years 1-3 ($)	13,590	11,777	1,814 ***	15.4	9,378	8,016	1,362 **	17.0	
Year 1	3,581	3,203	378 *	11.8	1,960	1,944	16	0.8	
Year 2	4,677	3,941	736 ***	18.7	3,192	2,733	459 *	16.8	
Year 3	5,332	4,633	699 **	15.1	4,226	3,338	887 ***	26.6	
Ever received any AFDC/TANF payments, years 1-3 (%)	78.8	77.1	1.7	2.2	89.9	89.9	0.0	0.0	
Last quarter of year 1	41.4	42.4	-1.0	-2.3	71.2	65.8	5.4 **	8.2	*
Last quarter of year 2	22.5	25.4	-3.0	-11.6	49.5	50.3	-0.8	-1.5	
Last quarter of year 3	10.4	18.9	-8.5 ***	-45.1	26.2	35.6	-9.5 ***	-26.6	
Average total AFDC/TANF payments received, years 1-3 ($)	2,424	2,896	-472 ***	-16.3	4,917	5,284	-367 **	-6.9	
Year 1	1,454	1,527	-73	-4.8	2,484	2,427	56	2.3	
Year 2	689	846	-157 **	-18.6	1,602	1,695	-93	-5.5	
Year 3	282	523	-242 ***	-46.2	832	1,162	-330 ***	-28.4	
Average number of months receiving AFDC/TANF payments, years 1-3	14.0	14.3	-0.3	-2.2	19.0	20.3	-1.3	-6.3	
Ever received any Food Stamp payments years 1-3 (%)	86.6	86.8	-0.2	-0.3	94.9	93.8	1.1	1.2	
Last quarter of year 1	55.6	58.0	-2.3	-4.0	81.6	78.4	3.2	4.0	*
Last quarter of year 2	41.1	46.1	-5.0 **	-10.8	68.7	66.5	2.3	3.4	**
Last quarter of year 3	29.9	36.0	-6.1 **	-16.9	54.6	54.5	0.0	0.0	*

(continued)

Table 5.4 (continued)

Outcome	Sample Members with a 24-Month Time Limit (Imputed)				Sample Members with a 36-Month Time Limit (Imputed)				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Average total value of Food Stamp payments received, years 1-3 ($)	3,522	4,130	-608 ***	-14.7	6,305	6,596	-291	-4.4	
Year 1	1,688	1,894	-206 ***	-10.9	2,559	2,684	-125 *	-4.6	
Year 2	1,079	1,327	-248 ***	-18.7	2,146	2,248	-101	-4.5	
Year 3	755	909	-154 **	-16.9	1,599	1,664	-65	-3.9	
Average total income from earnings, AFDC/TANF, and Food Stamps, years 1-3 ($)	19,537	18,803	734	3.9	20,601	19,896	705	3.5	
Year 1	6,723	6,624	99	1.5	7,003	7,055	-52	-0.7	
Year 2	6,445	6,114	331	5.4	6,941	6,676	265	4.0	
Year 3	6,368	6,065	304	5.0	6,657	6,165	492 *	8.0	
Sample size	653	641			707	721			

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

By contrast, FTP's earnings impact of $669 for those imputed to have a 24-month time limit represents only a 15 percent increase over the control group average of $4,633.

The third section of Table 5.4 indicates that FTP did not reduce AFDC/TANF receipt rates for either subgroup during the first two years of follow-up (it actually increased AFDC/TANF receipt in the first year among those imputed to have a 36-month time limit). During the third year of follow-up, however, FTP began to produce significant reductions in AFDC/TANF receipt for both groups. By the end of the third year of follow-up, FTP had reduced AFDC/TANF receipt rates by nearly 9 percentage points for the 24-month group (a 46 percent reduction compared to the AFDC group level). By the end of the third year of follow-up, FTP had reduced AFDC receipt rates by nearly 10 percentage points for the imputed 36-month time-limit subgroup (a 27 percent reduction compared to the AFDC group rate).

Table 5.4 also shows that FTP produced significant reductions in total AFDC/TANF payments for both groups during the third year of follow-up. As discussed earlier, reductions in average AFDC/TANF payments can result from two factors: reductions in the number of months in which FTP group members received any AFDC/TANF payments or reduction in the average monthly payment amounts among those on the AFDC/TANF rolls. Although not shown in the table, further analysis indicated the source of the AFDC/TANF payments impacts differed somewhat for the two subgroups. During the third year of follow-up, the reduction in AFDC/TANF payments for the imputed 24-month time-limit subgroup resulted primarily from a reduction in the number of months in which FTP group members received AFDC payments. The reduction in AFDC/TANF payments for the imputed 36-month time-limit subgroup resulted from a reduction in both the number of months in which FTP group members received AFDC and in the average monthly payment amounts for those who received AFDC/TANF.

FTP produced substantial reductions in Food Stamp receipt rates and payment amounts for the 24-month subgroup, particularly in the second and third years of follow-up. This may have occurred in part because some of those who left AFDC/TANF also stopped receiving Food Stamps at the same time. The program actually produced a slight increase in Food Stamp receipt rates during the first two years of follow-up for the 36-month group, although average Food Stamp payment amounts among FTP group members were smaller than they were for their AFDC group counterparts. The lower Food Stamp payment amounts are likely due, in part, to the fact that FTP group members were somewhat more likely to be receiving Food Stamps and working, thus reducing the amount of Food Stamp payments for which they would be eligible.

B. Impacts on Combining Work and Welfare

Table 5.5 shows the employment and AFDC/TANF receipt status of the time-limit subgroups during the last quarter of each year in the follow-up period. Overall, the table indicates that there were some modest differences between the subgroups in the way FTP affected the rates at which sample members combined work and welfare during the first two years of the follow-up period. Specifically, those imputed to have a 36-month time limit were more likely to experience an increase in combining work and welfare than those imputed to have a 24-month time limit. By the end of the third year, however, FTP's effects on combining work and welfare were similar for

Table 5.5

Florida's Family Transition Program

Three-Year Impacts on Combined Employment and AFDC/TANF Receipt Status, by AFDC/TANF Time-Limit Subgroups

Outcome	Sample Members with a 24-Month Time Limit (Imputed)				Sample Members with a 36-Month Time Limit (Imputed)				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Not employed and received AFDC/TANF									
Last quarter of year 1	22.8	27.3	-4.5 *	-16.5	42.5	44.9	-2.4	-5.3	
Last quarter of year 2	11.8	16.7	-4.9 **	-29.3	23.5	33.1	-9.7 ***	-29.2	
Last quarter of year 3	6.1	11.9	-5.9 ***	-49.1	14.6	22.6	-8.0 ***	-35.4	
Employed and received AFDC/TANF									
Last quarter of year 1	18.6	15.1	3.5	23.4	28.7	20.9	7.8 ***	37.0	
Last quarter of year 2	10.7	8.8	1.9	22.1	26.1	17.2	8.9 ***	51.8	**
Last quarter of year 3	4.3	7.0	-2.7 *	-38.3	11.6	13.1	-1.5	-11.4	
Employed and did not receive AFDC/TANF									
Last quarter of year 1	31.3	30.4	0.8	2.8	12.2	16.5	-4.3 **	-26.3	*
Last quarter of year 2	40.9	38.1	2.9	7.5	28.4	26.1	2.3	8.9	
Last quarter of year 3	42.9	37.8	5.1 *	13.5	41.0	31.7	9.3 ***	29.3	
Not employed and did not receive AFDC/TANF									
Last quarter of year 1	27.3	27.2	0.1	0.5	16.6	17.7	-1.1	-5.9	
Last quarter of year 2	36.6	36.5	0.1	0.3	22.0	23.6	-1.6	-6.6	
Last quarter of year 3	46.8	43.3	3.4	7.9	32.8	32.6	0.2	0.6	
Sample size	653	641			707	721			

(continued)

Table 5.5 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

both groups: the program reduced the percentage of people who were receiving AFDC/TANF without being employed and increased the percentage employed without receiving AFDC/TANF.

The first section of the table shows that during each year of the follow-up period, FTP reduced the percentage of people "not employed and received AFDC/TANF." This effect was similar for both imputed time-limit subgroups. The second panel of the table indicates that the increases in combining work and welfare were concentrated among those imputed to have 36-month time limit and occurred only during the first two years of follow-up. In fact, among those imputed to have a 24-month time limit, FTP had reduced the percentage of individuals combining work and welfare by the end of the third year. The third section of Table 5.5 also shows that FTP produced a significant increase for both subgroups in the percentage of those "employed and did not receive AFDC/TANF" at the end of the third year.

Finally, the last section of the table indicates that FTP had virtually no effect for either subgroup on the percentage of those "not employed and did not receive AFDC/TANF." Future analyses will be able to shed more light on how those with no record of income from earnings or welfare support themselves. This will be particularly important as more people reach the time limit and have their AFDC/TANF grant canceled. As noted earlier, the FTP evaluation includes a survey that is being administered to FTP and AFDC group members four years following their entry into the study.

C. Impacts on Combined Income from UI-Reported Earnings, AFDC/TANF, and Food Stamps

Table 5.6 provides further information about the way FTP affected the amount and mix of income sources for the two subgroups during the last quarter of the follow-up period. As discussed at the start of this section of the chapter, there were no consistent or systematic differences across the imputed time-limit subgroups in FTP's impact on total income from earnings, AFDC/TANF payments, and Food Stamp payments. The first row in Table 5.6 indicates that this overall trend continued through the end of the follow-up period. Specifically, it shows that FTP did not produce a statistically significant increase in average income for either of the imputed time-limit subgroups during the last quarter of the follow-up period.

The remainder of Table 5.6, however, suggests that, by the end of the follow-up period, some modest differences between the subgroups began to emerge, at least in terms of moving sample members into higher income brackets and increasing the amount of that income derived from earnings. The last row in Table 5.6 presents a summary indicator of this finding. The differences between the subgroups on this indicator appear to have two bases. First, as shown in the "income brackets" section of the table, FTP produced a significant increase in those with more than $2,400 in income among those imputed to have a 36-month time limit but not among those imputed to have a 24-month time limit. The next row in the table shows the proportion of income sample members derived from earnings. It indicates that FTP also had a somewhat larger impact on this indicator among those imputed to have a 36-month time limit. With these two trends combined, the last row in the table shows that among those in the 36-month group, FTP increased (by nearly 40 percent over the AFDC group level) the proportion of FTP group members

Table 5.6

Florida's Family Transition Program

Impacts on Income from Earnings, AFDC/TANF, and Food Stamps During the Last Quarter of Year 3, by AFDC/TANF Time-Limit Subgroups

Outcome	Sample Members with a 24-Month Time Limit (Imputed)				Sample Members with a 36-Month Time Limit (Imputed)				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Average total income from earnings, AFDC/TANF, and Food Stamps, last quarter of year 3 ($)	1,583	1,499	84	5.6	1,583	1,440	142	9.9	
Income brackets (%)									
$0	37.6	36.4	1.1	3.1	22.0	25.1	-3.1	-12.3	
$1-$1,500	24.5	24.2	0.3	1.1	35.9	31.6	4.3 *	13.7	
$1,501-$2,400	9.3	10.0	-0.8	-7.6	14.3	22.1	-7.8 ***	-35.3	***
$2,401-$3,000	6.6	10.3	-3.7 **	-36.1	10.3	8.8	1.5	17.1	**
$3,000 or more	22.1	19.0	3.1	16.2	17.5	12.4	5.1 ***	40.8	
Proportion of income from earnings (%)	42.4	39.1	3.3	8.5	41.9	34.2	7.7 ***	22.5	
Proportion of income from AFDC/TANF (%)	4.6	8.1	-3.5 ***	-43.2	10.8	16.1	-5.3 ***	-32.9	
Proportion of income from Food Stamps (%)	15.4	16.3	-1.0	-5.9	25.2	24.5	0.7	2.9	
50% or more of income is derived from earnings (%)	44.0	40.6	3.4	8.3	44.3	36.3	7.9 ***	21.8	
50% or more of income is derived from AFDC/TANF and Food Stamps (%)	18.4	22.9	-4.5 *	-19.7	33.7	38.5	-4.9 **	-12.6	
More than $2,400 quarterly income and less than 50% of income is from AFDC/TANF and Food Stamps (%)	28.3	27.9	0.4	1.4	25.5	18.4	7.1 ***	38.5	**
Sample size	653	641			707	721			

(continued)

Table 5.6 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

with more than $2,400 in income and with less than half of that income coming from welfare. FTP had virtually no effect on this measure among those imputed to have a 24-month time limit.

V. Three-Year Impacts for Job-Readiness Subgroups

This section of the chapter examines FTP's impacts for subgroups defined by characteristics associated with employment prospects or "job readiness." Specifically, job-readiness subgroups were defined by (1) whether a sample member reported having received a high school diploma or GED prior to random assignment and (2) whether a sample member had recent work experience (that is, had worked during the year prior to entering the study according to the UI system). Not only are these characteristics associated with whether sample members are likely to enter employment, but they are also used by FTP and Project Independence to determine the type of job placement, education, and training services that might be needed by program participants. It is important to note that the AFDC group, as well as the FTP group, had access to Project Independence employment and training services (although some of the participation requirements and services differed). This means that the job-readiness subgroups may differ in terms of whether FTP increased the amount and intensity of employment and training services sample members received.

Interestingly, FTP group members from each of the four groups received similar amounts and types of services.[20] For example, approximately 70 percent of FTP group members from each of the four groups participated in at least one employment- or education-related activity within two years of entering the study. Among FTP group members with no high school diploma or GED, about half participated in some type of education activity, and among those with no recent work experiences about half participated in some type of job search activity. The primary differences among the job-readiness subgroups occurred in the amount and types of education and employment services received by members of the AFDC group. In fact, FTP produced the largest increase in participation in these services among those who had recent work experience but had no high school diploma or GED. This occurred because only about 24 percent of the AFDC group members in this subgroup (compared to 73 percent of the FTP group) participated in any type of employment or education services. Nearly half of the AFDC group members in the other three job-readiness subgroups participated in some type of employment or education activity (including those with no recent work experience and no high school diploma or GED).

It is also important to note that each of the four job-readiness subgroups includes different proportions of FTP group members who were assigned a 36-month AFDC/TANF time limit as opposed to a 24-month time limit. Appendix Table A.3 presents the background characteristics of the four job-readiness subgroups. It shows that 27 percent of the FTP group members with recent work experience and a high school diploma or GED were assigned a 36-month time limit compared to 53 percent of those with recent work experience but no high school diploma or GED. The table also shows that 38 percent of the FTP group members with no recent work expe-

[20]The results discussed here are drawn from analyses of the 24-month survey, discussed in Bloom, Farrell, Kemple, and Verma, 1998.

rience but with a high school diploma or GED were assigned a 36-month time limit compared to 67 percent of those with no recent work experience and no high school diploma or GED.[21] This means that the job-readiness subgroups may also differ in terms of the proportion of FTP group members who may reach their AFDC/TANF time limit and have their benefits canceled within the three-year follow-up period. In fact, 9 percent of those with both recent work experience and a high school diploma or a GED (the group with the highest proportion of sample members with 24-month time limit) reached the time limit and had their benefits canceled, compared to 6 percent of those with recent work experience but no high school diploma or a GED. Further, 8 percent of those with no recent work experience but who had a high school diploma or a GED reached the time limit and had their benefits canceled compared to 6 percent of those with neither recent work experience nor a high school diploma or a GED.

Figure 5.3 and Table 5.7 present selected findings on the three-year impacts for the four job-readiness subgroups. Comparing the results among the four panels of Figure 5.3 indicates that the increases in earnings and total income were more prevalent among those with both recent work experience and a high school diploma or GED. For the purposes of this discussion, this group is referred to as the "most job ready." The impact estimates for this group are presented on the left side of the first page in Table 5.7. During the first two years of follow-up, FTP produced significant increases in earnings and had virtually no effect on AFDC/TANF or Food Stamp payments. In all, during the first two years of follow-up, FTP produced an average increase in income from these sources of $659 per year (a 9 percent increase over the AFDC group average of $7,567 per year). As indicated in the bottom part of Table 5.7, FTP increased the rate at which FTP group members in the most job ready subgroup combined welfare and work.

During the third year of follow-up, FTP produced an increase of $939 in total income (a 13 percent increase over the AFDC group) among FTP group members in the most job ready subgroup. This is because the large earnings gains of $1,249 more than offset the reductions in AFDC/TANF and Food Stamp payments.

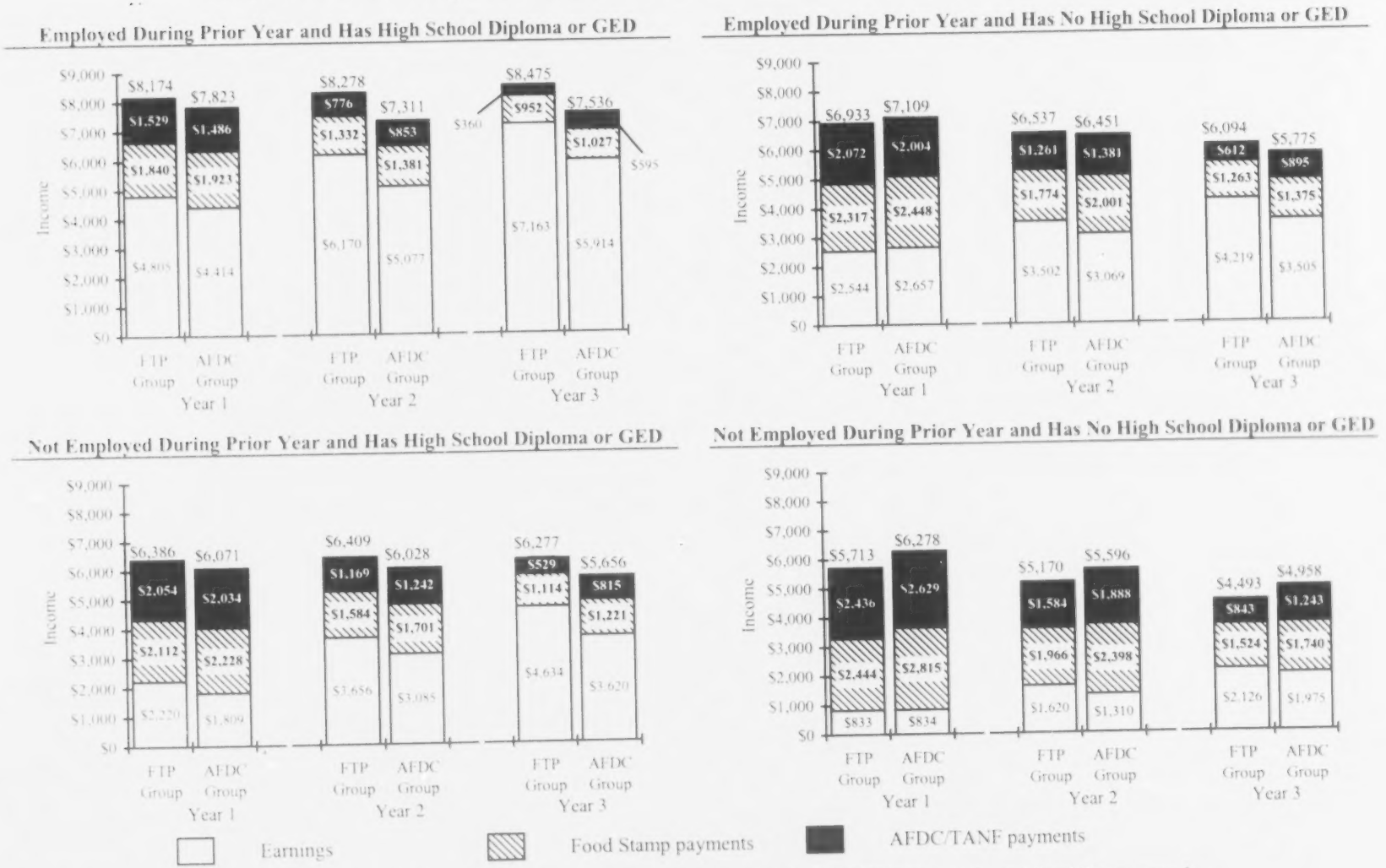
The right panel of the second page of Table 5.7 shows the impact estimates for the least job ready subgroup. It indicates that those who face the most severe barriers to employment (those with no recent work experience and no high school diploma at the time they entered the study) were least likely to benefit from FTP. In fact, this subgroup experienced a loss in total income over the three-year follow-up period. FTP produced a small (not statistically significant) increase in earnings for this subgroup that was more than offset by significant reductions in AFDC/TANF and Food Stamp payments. This resulted in a loss of total income averaging more the $485 per year over the three-year follow-up period. Also, as shown in the bottom section of the table, FTP produced an increase in the percentage of FTP group members in the least job ready subgroup who were not working and not receiving AFDC/TANF.

[21]Each of the job-readiness subgroups also includes individuals from the imputed time-limit subgroups. Table A.3 shows that the distribution of the imputed time limit matched the actual time limit given to FTP group members very closely for those with no recent work experience and no high school diploma or GED. However, Table A.3 shows that in the other three job-readiness subgroups, the imputation method used tended to over-allocate sample members to the 36-month time limit.

Figure 5.3

Florida's Family Transition Program

Composition of Income for FTP and AFDC Group Members, by Year and Job-Readiness Subgroups



SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTE: The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

Table 5.7

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Job-Readiness Subgroups

Outcome	Employed During Prior Year and Has High School Diploma or GED				Employed During Prior Year and Has No High School Diploma or GED				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Average total earnings ($)									
Average of years 1-2	5,488	4,745	742 ***	15.6	3,023	2,863	160	5.6	
Year 3	7,163	5,914	1,249 ***	21.1	4,219	3,505	715	20.4	
Average total AFDC/TANF payments ($)									
Average of years 1-2	1,152	1,169	-17	-1.5	1,666	1,692	-26	-1.5	
Year 3	360	595	-235 ***	-39.5	612	895	-283 ***	-31.6	
Average total Food Stamp payments ($)									
Average of years 1-2	1,586	1,652	-66	-4.0	2,045	2,224	-179	-8.1	
Year 3	952	1,027	-75	-7.3	1,263	1,375	-112	-8.2	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)									
Average of years 1-2	8,226	7,567	659 **	8.7	6,735	6,779	-45	-0.7	
Year 3	8,474	7,535	939 **	12.5	6,094	5,774	319	5.5	
Combined employment and AFDC/TANF receipt status (%)									
Years 1-2									
Not employed and received AFDC/TANF	18.1	21.8	-3.7 **	-17.0	29.7	32.9	-3.2	-9.8	
Employed and received AFDC/TANF	28.9	22.5	6.4 ***	28.6	28.7	24.8	3.9	15.5	
Employed and did not receive AFDC/TANF	36.0	37.9	-1.9	-5.0	25.3	26.1	-0.8	-2.9	
Not employed and did not receive AFDC/TANF	17.0	17.9	-0.8	-4.7	16.3	16.2	0.1	0.7	
Year 3									
Not employed and received AFDC/TANF	6.4	12.4	-6.0 ***	-48.3	12.6	17.6	-5.0 **	-28.4	
Employed and received AFDC/TANF	11.2	12.0	-0.8	-7.0	14.2	15.0	-0.9	-5.9	
Employed and did not receive AFDC/TANF	54.2	46.8	7.4 ***	15.9	42.9	36.4	6.6 *	18.0	
Not employed and did not receive AFDC/TANF	28.2	28.8	-0.6	-2.0	30.3	30.9	-0.7	-2.2	
Sample size	443	424			216	204			

(continued)

Table 5.7 (continued)

Outcome	Not Employed During Prior Year and Has High School Diploma or GED				Not Employed During Prior Year and Has No High School Diploma or GED				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Average total earnings ($)									
Average of years 1-2	2,938	2,447	491 **	20.1	1,227	1,072	155	14.4	
Year 3	4,634	3,620	1,014 ***	28.0	2,126	1,975	151	7.7	
Average total AFDC/TANF payments ($)									
Average of years 1-2	1,611	1,638	-27	-1.6	2,010	2,258	-248 **	-11.0	*
Year 3	529	815	-286 ***	-35.1	843	1,243	-400 ***	-32.2	
Average total Food Stamp payments ($)									
Average of years 1-2	1,848	1,964	-117	-5.9	2,205	2,606	-401 ***	-15.4	**
Year 3	1,114	1,221	-107	-8.8	1,524	1,740	-216 *	-12.4	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)									
Average of years 1-2	6,397	6,050	347	5.7	5,442	5,937	-495 *	-8.3	**
Year 3	6,277	5,657	620 *	11.0	4,493	4,958	-464	-9.4	**
Combined employment and AFDC/TANF receipt status (%)									
Years 1-2									
Not employed and received AFDC/TANF	36.4	40.4	-4.0 *	-9.8	46.7	55.0	-8.3 ***	-15.1	
Employed and received AFDC/TANF	19.0	13.7	5.4 ***	39.3	17.1	12.3	4.8 ***	38.6	
Employed and did not receive AFDC/TANF	20.0	18.6	1.3	7.2	8.1	9.3	-1.2	-12.7	
Not employed and did not receive AFDC/TANF	24.6	27.3	-2.7	-10.0	28.0	23.3	4.8 **	20.4	**
Year 3									
Not employed and received AFDC/TANF	12.3	21.7	-9.4 ***	-43.4	21.0	29.3	-8.3 ***	-28.4	
Employed and received AFDC/TANF	10.7	8.7	2.1	23.6	12.6	13.2	-0.7	-5.2	
Employed and did not receive AFDC/TANF	38.0	29.1	8.9 ***	30.5	19.9	17.7	2.2	12.2	*
Not employed and did not receive AFDC/TANF	39.0	40.5	-1.6	-3.8	46.6	39.7	6.9 **	17.3	**
Sample size	369	422			341	315			

(continued)

Table 5.7 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Job-readiness subgroups were defined by (1) whether a sample member reported having received a high school diploma or GED prior to random assignment and (2) whether a sample member had recent work experience. Those sample members who according to the administrative records were employed within 1 year prior to random assignment are considered to have "recent" prior employment.

The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. Statistical tests for variation in subgroup impacts were run seperately for those employed and those not employed. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

It is not clear why those who were least job ready experienced income losses as a result of being in the FTP group. It does not appear to have been a result of the AFDC/TANF time limit. This group experienced losses in AFDC/TANF and Food Stamp payments during the first two years of follow-up before the time limits would have resulted in their grants being canceled. In addition, because relatively few of the FTP group members in this subgroup were assigned a 24-month time limit (compared to the other job-readiness subgroups), relatively few had their benefits canceled. Also, the loss in income does not appear to have resulted from a reduction in participation in employment and education activities. As noted earlier, 74 percent of the FTP group members in this subgroup participated in employment and education activities during the first two years of the follow-up period. However, nearly half of those in the AFDC group also participated in such services. It may be that the reduction in AFDC/TANF benefits occurred, in part, because FTP group members were more likely to be sanctioned than AFDC group members or that they were more likely to leave AFDC/TANF to avoid the participation requirements. Losses in AFDC/TANF among those facing the most severe barriers to employment are due both to lower receipt rates and to lower amounts of AFDC/TANF received per recipient. For example, in Year 3, FTP caused a nearly 7 percentage point reduction in the percentage of sample members receiving AFDC/TANF. Of those who received AFDC/TANF in the third year of follow-up, FTP group members received an average monthly payment of $254, approximately $27 less than AFDC group members.

Finally, the pattern of impacts for the subgroups facing only one of the employment barriers is more mixed. Both groups experienced similar reductions in AFDC/TANF and Food Stamp payments, but those with a high school diploma or GED experienced larger earnings gains than those with recent work experience.

VI. Three-Year Impacts for Other Subgroups

Appendix C includes five tables summarizing the impact findings for several additional subgroups of the report sample (Tables C.2 through C.6). In general, many of the patterns of impacts for these subgroups are similar to the patterns for either the time-limit subgroups or the job-readiness subgroups discussed above. In some cases, similarities may be due, in part, to the fact that the subgroups share common characteristics. Appendix A contains several tables which present demographic characteristics of all the subgroups discussed below. This helps to illustrate the overlap in background characteristics across subgroups.[22] In other cases, similarities may be due to the way FTP operated for sample members with different characteristics. It is important to note that impact differences across the subgroups do not account for impact differences associated with other demographic and background characteristics. Following is a summary of where the subgroups fit into the general pattern of impacts discussed previously in the chapter.

[22]Table A.4 presents selected background characteristics for the Prior Employment subgroups; Table A.5 presents the Prior Education subgroups; Table A.6 illustrates the Prior AFDC Receipt subgroups; Table A.7 describes the Age of Youngest Child subgroups; and Table A.8 shows the Race/Ethnicity subgroups.

The previous discussion might be summarized into four patterns of impacts. First, FTP had no statistically significant impact on total income, because relatively small earnings gains were offset by reductions in AFDC/TANF and Food Stamp payments. This pattern was evident among African Americans, sample members who were AFDC/TANF recipients for two or more years, and sample members with no recent work experience. To a lesser extent this was the case for those imputed to have a 24-month time limit.

A second pattern of impacts occurred where significant increases in total income resulted from substantial earnings gains combined with modest losses in welfare payments. This pattern was characteristic among those who had a high school diploma or a GED and recent work experience. It was also found among whites. To a lesser extent, this pattern also occurred among sample members who had been on AFDC/TANF for less than two years prior to entering the study and those imputed to have a 36-month time limit.

Third, there were differences in the timing of earnings increases and welfare payment reductions. This pattern was found among those imputed to have a 24-month time limit and among those who had a high school diploma or GED but no recent work experiences. For example, the 24-month group experienced relatively large earnings gains and increases in total income (not statistically significant) in the first two years of follow-up. However losses in AFDC/TANF and Food Stamps offset gains in earnings in the third year.

Finally, FTP produced significant reductions in income due to very small income gains and substantial welfare losses. This was the case for sample members who faced the most severe barriers to employment, defined as not having a high school diploma or GED and not having any recent work experience. None of the other subgroups exhibited this pattern.

A. Subgroups Defined by Prior AFDC/TANF Receipt

Appendix Table C.4 presents the impact findings for three subgroups defined by sample members' AFDC/TANF history prior to random assignment: those who were first-time applicants; those with AFDC/TANF receipt totaling less than two years on the person's own or spouse's case (including ongoing recipients and those reapplying for AFDC/TANF after having been off the rolls); and those with AFDC/TANF receipt totaling two years or more on the person's own or spouse's case (including ongoing recipients and those reapplying for AFDC/TANF after having been off the rolls). The first (left) panel of C.4 presents impact findings for first-time applicants. First-time applicants experienced no impacts on earnings, AFDC/TANF, or total income. This is mostly likely because first-time applicants had high earnings and lower levels of AFDC/TANF dependency coming into the program. Therefore FTP was less likely to produce an impact for members of this group. The middle panel of Table C.4 presents findings for the group of "short-term" applicants and recipients (those with less than two years of prior AFDC/TANF receipt). This group experienced strong total income impacts in Years 1 and 2, and again in Year 3. These impacts are driven by earnings increases that exceed losses in AFDC/TANF and Food Stamps. In contrast, as presented in the right panel of Table C.4, "long-term" applicants and recipients did not experience statistically significant impacts on total income. This is because this group experienced larger combined welfare losses and smaller gains in total earnings. Differences in impacts across subgroups are significant for earnings (Year 3), AFDC/TANF payments (Year 3), and total income (Year 3).

B. Subgroups Defined by the Age of the Youngest Child

Appendix Table C.5 presents impacts for subgroups defined by the age of the youngest child in the household at the time the sample member entered the study. This is important because AFDC group members with children under the age of three are not required to participate in Project Independence. Also, given their child care needs, those with very young children are less likely to volunteer to participate in employment and training activities than are their counterparts whose children are older. Those whose youngest child was age three or older, regardless of their FTP status, were required to participate in Project Independence. However, Project Independence services for those in FTP were reported to have received more funding, and the participation requirements were more strictly enforced.

The first (left) section of Table C.5 presents impact findings for sample members whose youngest child was less than three years old at random assignment, and the second section presents impact findings for sample members whose youngest child was age three or older. In general, the pattern of impacts are similar across subgroups.

However during the first two years of follow-up, impacts on AFDC/TANF payments are concentrated in the subgroup with children less than three years old. Interestingly, those with younger children also experienced larger earnings impacts in the first two years. However, it is important to note that the differences across subgroups was not significant. During the first two years, sample members with younger children were less likely to receive AFDC/TANF while not working, and more likely to be combine work and welfare.

C. Subgroups Defined by Race/Ethnicity

Appendix Table C.6 presents impact findings defined by sample members' race/ethnicity.[23] The first (left) section of the table presents impact findings for African American sample members, and the second section presents impact findings for white sample members. Across groups, total income impacts were concentrated among white sample members. White sample members experienced increases in earnings that offset losses in AFDC/TANF by a margin of nearly five to one. In contrast, the increase in total income for African American sample members was not statistically significant. Although there is an increase in earnings for African American sample members in Year 3, losses in AFDC/TANF offset this. Both groups experienced statistically significant reductions in Food Stamp payments during the first two years of follow-up. Moreover, both groups experienced statistically significant reductions in AFDC/TANF payments in Year 3. In all cases these differences in impacts across subgroups were not statistically significant, suggesting that they could be due to chance.

[23]The only racial/ethnic categories used in this analysis were those for sample members who chose the categories of "White, non-Hispanic" and "Black, non-Hispanic" on the Background Information Form. Because only 77 sample members chose other racial/ethnic categories on the BIF, and because the category itself was heterogeneous (the "Other" category includes those individuals selecting Hispanic, Native American, or Asian on the BIF), those sample members were not included in the racial/ethnic subgroup.

Appendix A

Additional Economic and Demographic Tables

Table A.1

Florida's Family Transition Program

Employment and Unemployment Statistics for Selected Counties in Florida

County Name	Number of Employed Persons			Estimated Population			Average Annual Unemployment Rate		
	1993	1997	% Change 1993-1997	1993	1997	% Change 1993-1997	1993	1997	% Change 1993-1997
Escambia	114,251	115,702	**1.3**	271,072	282,604	**4.3**	5.0	4.2	**-16.0**
Alachua	93,649	98,579	**5.3**	190,738	198,326	**4.0**	3.8	2.8	**-26.3**
Bay	57,881	61,330	**6.0**	136,990	146,223	**6.7**	9.2	6.6	**-28.3**
Brevard	191,966	193,321	**0.7**	434,988	460,977	**6.0**	7.6	4.5	**-40.8**
Broward	647,909	712,791	**10.0**	1,353,752	1,470,758	**8.6**	6.9	4.9	**-29.0**
Citrus	30,705	32,307	**5.2**	101,682	112,454	**10.6**	8.7	5.8	**-33.3**
Clay	54,520	64,314	**18.0**	116,760	135,179	**15.8**	4.8	3.0	**-37.5**
Collier	72,078	81,954	**13.7**	171,630	195,731	**14.0**	8.4	5.1	**-39.3**
Columbia	19,563	23,074	**17.9**	45,773	52,856	**15.5**	9.1	4.6	**-49.5**
Dade	943,004	967,020	**2.5**	1,985,490	2,044,600	**3.0**	8.1	7.1	**-12.3**
Duval	334,006	366,576	**9.8**	700,292	732,622	**4.6**	5.5	3.7	**-32.7**
Gadsen	17,339	17,908	**3.3**	42,683	45,441	**6.5**	6.3	4.6	**-27.0**
Hernando	36,308	42,225	**16.3**	113,396	125,537	**10.7**	7.3	4.0	**-45.2**
Highlands	23,992	25,157	**4.9**	72,515	76,854	**6.0**	10.2	8.2	**-19.6**
Hillsborough	439,674	494,954	**12.6**	865,418	909,444	**5.1**	6.4	3.3	**-48.4**
Lake	64,984	78,999	**21.6**	167,253	196,214	**17.3**	6.7	4.0	**-40.3**
Lee	152,202	164,328	**8.0**	358,721	387,091	**7.9**	5.7	3.4	**-40.4**
Leon	114,388	119,743	**4.7**	207,128	215,170	**3.9**	3.6	2.9	**-19.4**
Manatee	91,476	113,057	**23.6**	222,703	237,139	**6.5**	5.3	2.9	**-45.3**
Marion	81,714	89,626	**9.7**	211,690	237,308	**12.1**	7.9	4.6	**-41.8**
Okaloosa	65,941	75,138	**13.9**	157,391	167,580	**6.5**	6.1	3.6	**-41.0**
Orange	382,686	436,706	**14.1**	727,344	783,974	**7.8**	6.2	3.3	**-46.8**
Osceola	60,983	73,454	**20.4**	123,119	142,128	**15.4**	6.3	3.7	**-41.3**

(continued)

Table A.1 (continued)

County Name	Number of Employed Persons 1993	1997	% Change 1993-1997	Estimated Population 1993	1997	% Change 1993-1997	Average Annual Unemployment Rate 1993	1997	% Change 1993-1997
Palm Beach	404,666	452,252	**11.8**	935,845	1,018,524	**8.8**	9.0	6.3	**-30.0**
Pasco	104,328	120,798	**15.8**	291,726	320,253	**9.8**	7.5	4.0	**-46.7**
Pinellas	398,485	435,151	**9.2**	862,641	871,766	**1.1**	6.0	3.4	**-43.3**
Polk	176,736	183,276	**3.7**	422,279	448,646	**6.2**	9.7	6.4	**-34.0**
Putnam	27,100	25,542	**-5.7**	67,730	70,430	**4.0**	7.6	5.8	**-23.7**
St. Johns	45,025	54,255	**20.5**	94,351	112,707	**19.5**	5.9	3.0	**-49.2**
St. Lucie	62,484	66,780	**6.9**	164,966	179,559	**8.8**	13.2	10.7	**-18.9**
Santa Rosa	41,341	46,674	**12.9**	94,550	114,481	**21.1**	4.5	3.6	**-20.0**
Sarasota	117,740	143,446	**21.8**	287,423	301,644	**4.9**	5.1	2.6	**-49.0**
Seminole	169,507	196,414	**15.9**	316,210	344,729	**9.0**	5.7	3.2	**-43.9**
Volusia	161,108	165,423	**2.7**	396,847	419,797	**5.8**	6.7	3.9	**-41.8**
State of Florida	6,191,793	6,768,211	**9.3**	13,711,576	14,653,945	**6.9**	7.0	4.8	**-31.4**
United States	120,259,000	129,558,000	**7.7**	257,752,702	267,636,061	**3.8**	6.9	4.9	**-29.0**

SOURCES: All data on number of employed persons and unemployment rate data are from the U.S. Department of Labor, Bureau of Labor Statistics web site, 1998 (www.bls.gov); and all population estimates are from U.S. Bureau of the Census, Population Division web site (www.census.gov).

NOTES: All employment data, including unemployment rates, are non-seasonally adjusted annual averages.

The number of employed persons are all persons in the civilian labor force, who, during the reference week (week including the twelfth day of the month), (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their own family or (b) were not working but who had jobs from which they were temporarily absent. Each employed person is counted only once, even if he or she holds more than one job. The civilian labor force includes all persons in the civilian noninstitutional population classifed as either employed or unemployed.

The estimated population is the computed number of persons living in an area (resident population) as of July 1. The estimated population is calculated from a demographic components of change model that incorporates information on natural change (births and deaths) and net migration (net domestic migration and net movement from abroad) that has occurred in the area since the reference date, such as April 1, 1990, the date of the 1990 Census.

Table A.2

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among AFDC/TANF Time-Limit Subgroups

Characteristic and Subcategory	Full Sample	24-Month Time Limit (Imputed)	36-Month Time Limit (Imputed)	
Percentage of sample	100.0	47.5	52.5	
Age[a]				***
Under 20	7.1	3.7	10.2	
20-23	19.3	13.6	24.5	
24-33	46.5	52.2	41.3	
34-43	22.8	25.5	20.3	
44 or older	4.3	5.0	3.7	
Educational attainment[b]				***
Has high school diploma or GED	60.4	71.8	50.2	
No high school diploma or GED	39.6	28.2	49.8	
Race ethnicity[c]				***
White, non-Hispanic	45.3	56.4	35.1	
Black, non-Hispanic	51.9	40.1	62.6	
Other	2.8	3.4	2.3	
Age of youngest child				***
Under 3 years	42.3	38.2	45.9	
3 years and older	57.8	61.8	54.1	
AFDC history				***
First-time applicant	11.4	20.6	3.1	
Received AFDC/TANF less than or equal to 2 years	35.2	53.1	19.0	
Received AFDC/TANF 2 years or more	53.4	26.3	77.9	
Level of job readiness[b]				***
Employed during prior year, has high school diploma or GED	31.7	41.3	22.9	
Employed during prior year, has no high school diploma or GED	15.4	11.6	18.9	
Not employed during prior year, has high school diploma or GED	28.8	30.5	27.3	
Not employed during prior year, has no high school diploma or GED	24.1	16.6	30.9	
Actual time limit[d]				***
24 months	55.8	80.8	32.9	
36 months	44.2	19.2	67.1	
Sample size	2,722	1,294	1,428	

(continued)

Table A.2 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: The sample sizes in this table are not equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members were dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup. The subgroup represented in this table is missing information on 93 sample members.

Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF. Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group.

[d]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

Table A.3

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among Job-Readiness Subgroups

Characteristic and Subcategory	Full Sample	Employed During Prior Year and Has High School Diploma or GED	Employed During Prior Year and Has No High School Diploma or GED	Not Employed During Prior Year and Has High School Diploma or GED	Not Employed During Prior Year and Has No High School Diploma or GED	
Percentage of sample	100.0	31.7	15.4	28.9	24.0	
Age[a]						***
Under 20	7.2	4.5	13.3	3.9	10.7	
20-23	25.2	27.0	30.0	23.5	21.8	
24-33	44.7	45.2	39.3	47.0	44.8	
34-43	19.6	21.1	16.2	22.6	16.3	
44 or older	3.3	2.2	1.2	2.9	6.4	
Race/ethnicity[b]						***
White, non-Hispanic	45.4	46.4	47.2	45.8	42.4	
Black, non-Hispanic	51.8	52.1	49.6	51.9	52.6	
Other	2.8	1.5	3.1	2.3	5.1	
Age of youngest child						**
Under 3 years	42.5	38.3	43.2	43.8	45.8	
3 years and older	57.6	61.7	56.8	56.2	54.2	
AFDC history						***
First-time applicant	11.6	14.6	8.6	12.8	8.0	
Received AFDC/TANF less than or equal to 2 years	35.2	44.4	36.9	32.8	24.8	
Received AFDC/TANF 2 years or more	53.2	41.0	54.4	54.5	67.2	
Actual time limit[c]						***
24 months	56.0	72.8	46.7	62.5	32.9	
36 months	44.0	27.2	53.3	37.5	67.1	
Imputed time limit[d]						***
24 months	47.5	62.0	35.7	50.3	32.8	
36 months	52.5	38.0	64.3	49.7	67.2	
Sample size	2,734	867	420	791	656	

(continued)

Table A.3 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: The sample sizes in this table are not equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members were dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup. The subgroup represented in this table is missing information on 81 sample members.

Job-readiness subgroups were defined by (1) whether a sample member reported having received a high school diploma or GED prior to random assignment and (2) whether a sample member had recent work experience. Those sample members that according to the administrative records were employed within one year prior to random assignment are considered to have "recent" prior employment.

The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF. Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group.

[c]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.4

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among Prior Employment Subgroups

Characteristic and Subcategory	Full Sample	Employed During Prior Year	Not Employed During Prior Year	
Percentage of sample	100.0	46.7	53.3	
Age[a]				***
Under 20	7.1	7.3	6.9	
20-23	19.5	22.1	17.2	
24-33	46.2	45.7	46.6	
34-43	23.0	22.5	23.4	
44 or older	4.3	2.4	5.9	
Educational attainment[b]				***
Has high school diploma or GED	60.6	67.4	54.7	
No high school diploma or GED	39.4	32.6	45.3	
Race/ethnicity[c]				**
White, non-Hispanic	45.4	46.6	44.2	
Black, non-Hispanic	51.8	51.3	52.3	
Other	2.8	2.0	3.5	
Age of youngest child				**
Under 3 years	42.5	39.9	44.7	
3 years and older	57.6	60.1	55.3	
AFDC history				***
First-time applicant	11.6	12.7	10.6	
Received AFDC/TANF less than or equal to 2 years	35.2	42.0	29.2	
Received AFDC/TANF 2 years or more	53.2	45.3	60.3	
Level of job readiness[b]				***
Employed during prior year, has high school diploma or GED	31.7	67.4	0.0	
Employed during prior year, has no high school diploma or GED	15.4	32.6	0.0	
Not employed during prior year, has high school diploma or GED	28.9	0.0	54.7	
Not employed during prior year, has no high school diploma or GED	24.0	0.0	45.3	
Actual time limit[d]				***
24 months	55.8	64.1	48.1	
36 months	44.2	35.9	51.9	
Imputed time limit[e]				***
24 months	47.5	53.4	42.3	
36 months	52.5	46.6	57.7	
Sample size	2,815	1,316	1,499	

(continued)

Table A.4 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: The sample sizes in this table may not be equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members may have been dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF. Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group.

[d]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

[e]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.5

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among Prior Education Subgroups

Characteristic and Subcategory	Full Sample	Has High School Diploma or GED	Does Not Have High School Diploma or GED	
Percent of sample	100.0	60.6	39.4	
Age[a]				***
Under 20	7.2	4.2	11.7	
20-23	19.6	19.5	19.9	
24-33	46.2	47.9	43.7	
34-43	22.7	24.8	19.4	
44 or older	4.3	3.6	5.3	
Race/ethnicity[b]				***
Black	51.8	52.0	51.5	
White	45.4	46.1	44.3	
Other	2.8	1.9	4.3	
Age of youngest child				*
Under 3 years	42.5	41.0	44.8	
3 years and older	57.6	59.1	55.2	
AFDC history				***
First-time applicant	11.6	13.7	8.3	
Received AFDC/TANF less than or equal to 2 years	35.2	38.9	29.6	
Received AFDC/TANF 2 years or more	53.2	47.4	62.2	
Level of job readiness				***
Employed during prior year, has high school diploma or GED	31.7	52.3	0.0	
Employed during prior year, has no high school diploma or GED	15.4	0.0	39.0	
Not employed during prior year, has high school diploma or GED	28.9	47.7	0.0	
Not employed during prior year, has no high school diploma or GED	24.0	0.0	61.0	
Actual time limit[c]				***
24 months	56.0	68.2	38.3	
36 months	44.0	31.8	61.7	
Imputed time limit[d]				***
24 months	47.5	56.5	33.9	
36 months	52.5	43.6	66.1	
Sample size	2,734	1,658	1,076	

(continued)

Table A.5 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: The sample sizes in this table are not equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members were dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup. The subgroup represented in this table is missing information on 81 sample members.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

The General Education Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF. Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group.

[c]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.6

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among Prior AFDC Receipt Subgroups

Characteristic and Subcategory	Full Sample	First-Time Applicants	Received AFDC Less Than or Equal to 2 Years	Received AFDC 2 Years or Over	
Percentage of sample	100.0	11.6	35.2	53.2	
Age[a]					***
Under 20	7.0	10.5	12.1	2.9	
20-23	19.6	17.2	23.6	17.5	
24-33	46.4	42.0	41.5	50.5	
34-43	22.8	23.6	19.4	24.9	
44 or older	4.2	6.7	3.4	4.2	
Educational attainment[b]					***
Has high school diploma or GED	60.7	72.0	67.0	54.1	
No high school diploma or GED	39.3	28.0	33.0	46.0	
Race ethnicity[c]					***
White, non-Hispanic	45.2	68.7	54.8	33.8	
Black, non-Hispanic	51.9	24.6	42.9	63.8	
Other	2.9	6.7	2.3	2.4	
Age of youngest child					***
Under 3 years	42.3	41.7	49.3	37.9	
3 years and older	57.7	58.3	50.7	62.1	
Level of job readiness[b]					***
Employed during prior year, has high school diploma or GED	31.8	40.1	40.1	24.5	
Employed during prior year, has no high school diploma or GED	15.4	11.5	16.1	15.7	
Not employed during prior year, has high school diploma or GED	28.9	31.9	26.9	29.6	
Not employed during prior year, has no high school diploma or GED	23.9	16.6	16.9	30.2	

(continued)

Table A.6 (continued)

Characteristic and Subcategory	Full Sample	First-Time Applicants	Received AFDC Less Than or Equal to 2 Years	Received AFDC 2 Years or Over	
Actual time limit[d]					***
24 months	55.8	88.8	76.0	34.4	
36 months	44.2	11.2	24.0	65.6	
Imputed time limit[e]					***
24 months	47.4	85.7	71.6	23.3	
36 months	52.6	14.3	28.4	76.7	
Sample size	2,714	314	956	1,444	

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: The sample sizes in this table are not equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members were dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup. The subgroup represented in this table is missing information on 1 sample member.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF. Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group.

[d]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

[e]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.7

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among Age of Youngest Child Subgroups

Characteristic and Subcategory	Full Sample	Youngest Child Less Than Age 3 at RA	Youngest Child Age 3 or Older at RA	
Percentage of sample	100.0	42.5	57.5	
Age[a]				***
Under 20	7.1	14.9	1.3	
20-23	19.6	35.1	8.2	
24-33	46.4	39.3	51.6	
34-43	22.6	10.0	31.9	
44 or older	4.3	0.6	7.0	
Educational attainment[b]				*
Has high school diploma or GED	60.8	58.6	62.4	
No high school diploma or GED	39.2	41.4	37.7	
Race/ethnicity[c]				**
White, non-Hispanic	45.4	43.2	47.0	
Black, non-Hispanic	51.9	54.6	50.0	
Other	2.7	2.2	3.1	
AFDC history				***
First-time applicant	11.3	11.2	11.5	
Received AFDC/TANF less than or equal to 2 years	35.2	41.0	30.9	
Received AFDC/TANF 2 years or more	53.5	47.8	57.6	
Level of job readiness[b]				**
Employed during prior year, has high school diploma or GED	31.8	28.7	34.1	
Employed during prior year, has no high school diploma or GED	15.4	15.6	15.2	
Not employed during prior year, has high school diploma or GED	28.9	29.9	28.3	
Not employed during prior year, has no high school diploma or GED	23.9	25.8	22.5	
Actual time limit[d]				***
24 months	55.9	50.5	59.9	
36 months	44.1	49.5	40.1	
Imputed time limit[e]				***
24 months	47.3	42.7	50.7	
36 months	52.7	57.3	49.4	
Sample size	2,683	1,139	1,544	

(continued)

Table A.7 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: The sample sizes in this table are not equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members were dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup. The subgroup represented in this table is missing information on 132 sample members.

RA refers to the calendar quarter in which random assignment occurred.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF. Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group.

[d]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

[e]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.8

Florida's Family Transition Program

Differences in Selected Demographic Characteristics Among Race/Ethnicity Subgroups

Characteristic and Subcategory	Full Sample	Black, Non-Hispanic	White, Non-Hispanic	
Percentage of sample	100.0	53.3	46.7	
Age[a]				
Under 20	7.2	7.5	6.8	
20-23	19.7	20.1	19.3	
24-33	46.3	44.8	48.1	
34-43	22.6	23.6	21.5	
44 or older	4.2	4.0	4.4	
Educational attainment[b]				
Has high school diploma or GED	61.3	60.9	61.7	
No high school diploma or GED	38.7	39.1	38.3	
Age of youngest child				**
Under 3 years	42.6	44.6	40.4	
3 years and older	57.4	55.5	59.6	
AFDC history				***
First-time applicant	11.1	5.5	17.6	
Received AFDC/TANF less than or equal to 2 years	35.4	29.1	42.6	
Received AFDC/TANF 2 years or more	53.5	65.5	39.8	
Level of job readiness[b]				
Employed during prior year, has high school diploma or GED	32.1	31.9	32.4	
Employed during prior year, has no high school diploma or GED	15.2	14.6	15.9	
Not employed during prior year, has high school diploma or GED	29.1	29.1	29.3	
Not employed during prior year, has no high school diploma or GED	23.5	24.4	22.5	
Actual time limit[c]				***
24 months	55.7	44.4	69.2	
36 months	44.3	55.6	30.8	
Imputed time limit[d]				***
24 months	47.3	36.8	59.4	
36 months	52.7	63.2	40.7	
Sample size	2,644	1,410	1,234	

(continued)

Table A.8 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: Seventy-seven recipients who selected other race/ethnicity categories on the BIF were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group. The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF.

The sample sizes in this table are not equivalent to the sample sizes of the full report sample or other subgroup tables. Some sample members were dropped from this analysis due to missing or incomplete values for the variables used to construct the subgroup. The subgroup represented in this table is missing information on 171 sample members.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Age categories in this table reflect categories used to determine time limits rather than categories displayed in other tables computed from the BIF. In the imputation of the 36-month time limit, two of the four criteria require sample members to be under 24 years old.

[b]The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.\

[c]These percentages only apply to members of the FTP group, as AFDC group members were not assigned actual time limits.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they received AFDC for 36 of the 60 months prior to enrollment in FTP, or received AFDC for five or more years on their own or their spouse's AFDC case, or were under 24 years old and did not have a high school diploma or GED, or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Appendix B

The Post-Time-Limit Study Sample and Methodology

The material in Chapter 4 comes primarily from interviews conducted as part of the post-time-limit study, a component of the FTP project aimed at increasing understanding of the changing economic and social circumstances of people who have reached their time limit and may no longer collect cash benefits. This appendix describes how the sample was identified, recruited, and tracked for the follow-up interviews and how the sample differs from the larger universe of FTP participants who have exhausted their time clocks.

I. Sample Identified

FTP recipients were eligible for the post-time-limit study if they met one of the following two criteria: (1) the participant had received her final welfare check (the twenty-fourth for the 24-month participants, the thirty-sixth for those with a 36-month time limit) during the period of study (November 1996–May 1997 for the 24-month cohort; June 1997–February 1998 for those with a 36-month time limit) or (2) the participant was close to (i.e., two to four months away from) the time limit during the study period. Based on these criteria, 89 people were identified as eligible for the study. Seventy were located and agreed to take part in the end-of-time-limit interviews.

II. End-of-Time-Limit Interview

The end-of-time-limit interviews were conducted in person, usually within 30–60 days following the termination of benefits. For those who had exited welfare before reaching the time limit, this interview was conducted within two months of the receipt of the last check. Interviews lasted between one and two hours. A semi-structured questionnaire was developed for this study; nonetheless, the interviewer maintained a conversational tone and invited discussion on some of the open-ended questions.

Interviewers tried to reach all of the FTP participants identified as eligible for the post-time-limit study. About two weeks before the interview, letters were mailed out to all eligible sample members explaining the study, assuring confidentiality, offering an incentive of $30, and asking them to call back collect if they had questions. The interviewers then attempted to reach each respondent by phone to set up an appointment. In cases in which the phone had been disconnected or the number had changed (and the new number could not be ascertained), the interviewer attempted to contact the recipient by mail at the last known address. If the correspondence was returned with an updated address, an appointment card was redirected to the new address. The interviewers also traveled repeatedly to a respondent's neighborhood when necessary, in the hopes of speaking with the respondent if she still lived there, or finding someone who could provide an updated address. Other sources like the local phone and electric companies, credit bureaus, and the Department of Motor Vehicles were also consulted. The

majority of those not interviewed did not participate because they could not be reached. The 19 people MDRC was unable to interview were about evenly split between the two cohort groups: 10 were subject to a 24-month time limit; nine had a 36-month time limit.

III. Characteristics of the 70 End-of-Time-Limit Survey Respondents in Relation to Single-Parent Group Members Who Had Reached the Time Limit by June 1998

Of the 70 end-of-time-limit survey respondents, 87 percent received their last welfare check within the study time frame. The remainder exited FTP with one to four months remaining on their clock. The 70 respondents are similar, across a number of characteristics, to the 166 FTP single-parent group members who had reach their time limit by June 1998 but who were not members of the post-time-limit study sample. Appendix Table B.1 compares these two groups at random assignment in terms of their demographic characteristics, family status, work history, education, housing, and public assistance status. The groups differ significantly along only one of the dimensions shown in the table: whether or not the respondent resided, as a child, in a household receiving AFDC. Thirty-two percent of the post-time-limit sample fit this description, but only 21 percent of the comparison group do.

IV. Six-Month Follow-Up Interview

The first round of follow-up interviews took place approximately six months after the end-of-time-limit interview. Eighty-one percent (57) of respondents who spoke with MDRC at the end of their time limit also completed the six-month follow-up interview. Members of the 24-month group proved easier to track than their 36-month counterparts. Twenty-seven of the 32 (84 percent) who completed the end-of-time-limit interview also sat for the follow-up. The retention rate was 79 percent for the 36-month group.

One interviewer conducted all the follow-up interviews. (Two shared the job of leading the end-of-time-limit interviews.) For the second round of interviews, the interviewer followed nearly the identical strategy for tracking down respondents as she had employed for the first. (See Section II.) However, she now had one additional resource: During the end-of-time-limit interview, respondents were asked to provide names, addresses, and phone numbers of people with whom they stay in touch. When other efforts failed, the interviewer sought the assistance of these contact people in locating respondents.

The main reason that thirteen respondents were not interviewed for a second time was once again due to the fact that they could not be located. Eleven of the thirteen fell into that category. Similarly, a non-English-speaking woman could not be interviewed because the translator could not be found. The final potential respondent did not show up for her scheduled interview. She then moved and could not be located to reschedule.

The 13 who were not interviewed for a second time were similar to those who were interviewed twice in terms of work-related characteristics. Seven of the 13 (54 percent) were working

Table B.1

Florida's Family Transition Program

Selected Demographic Characteristics at the Time of Random Assignment of Post-Time-Limit Sample Members and FTP Single-Parent Group Members Who Had Reached the Time Limit by June 1998 but Who Were Not PTL Sample Members

Characteristic	PTL Sample	Those Who Have Reached the Time Limit But Who Are Not in the PTL Sample
Gender (%)		
Female	100.0	97.6
Male	0.0	2.5
Age (%)		
Under 20	7.6	9.2
20-24	39.4	32.5
25-34	33.3	37.4
35-44	19.7	17.8
45 and over	0.0	3.1
Average age (years)	27.4	28.1
Race/ethnicity (%)		
White	27.3	31.3
Black	69.7	67.5
Hispanic	1.5	0.6
Other	1.5	0.6
Family status		
Marital status (%)		
Never married	58.5	54.6
Married, not living with spouse	16.9	23.9
Married, living with spouse	6.2	0.0
Separated	4.6	4.9
Divorced	12.3	15.3
Other	1.5	1.2
Average number of children	2.2	2.3
Age of youngest child (%)		
2 years and under[1]	46.9	52.8
3-5 years	25.0	22.0
6 years and over	28.1	25.2
Work history		
Ever worked (%)	87.9	87.1
Ever worked full time for 6 months or more for one employer (%)	42.4	48.5

(continued)

Table B.1 (continued)

Characteristic	PTL Sample	Those Who Have Reached the Time Limit But Who Are Not in the PTL Sample
Approximate earnings in past 12 months (%)		
$0	56.1	58.0
$1-$999	24.2	21.0
$1,000-$4,999	12.1	15.4
$5,000-$9,999	6.1	4.3
$10,000 or more	1.5	1.2
Among those currently employed, average hourly wage ($)	4.29	4.40
Educational status		
Highest grade completed in school (average)	10.9	11.1
Highest degree/diploma earned (%)		
GED[b]	7.6	9.3
High school diploma	36.4	43.2
Technical	3.0	4.9
4-year (or more) college degree	0.0	0.6
None of the above	53.0	42.0
Enrolled in education or training during the past 12 months (%)	27.3	27.0
Public assistance status		
Aid status (%)		
Applicant	40.9	46.6
Recipient	59.1	53.4
Total prior AFDC receipt[c] (%)		
None	6.1	6.8
Less than 4 months	6.1	4.3
4 months or more but less than 1 year	13.6	14.1
1 year or more but less than 2 years	15.2	15.3
2 years or more but less than 5 years	28.8	27.6
5 years or more but less than 10 years	19.7	22.7
10 years or more	10.6	9.2
Resided as a child in a household receiving AFDC (%)	32.3	21.3 *
Current housing status (%)		
Public housing	15.2	10.4
Subsidized housing	27.3	21.5
Emergency or temporary housing	0.0	4.3
None of the above	57.6	63.8
Sample size	70	166

(continued)

Table B.1 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for post-time-limit sample members and single-parent cases who could have reached the time limit by June 1998.

NOTES: Four post-time-limit survey sample members and three who reached the time limit but were not part of the post-time-limit study are not included in the table because their Background Information Forms were missing.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]This category includes sample members who were pregnant at the time of random assignment.

[b]The General Education Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

at the time of their end-of-time-limit interview. Their hourly wage averaged $5.91, and their mean monthly earnings were $886. Forty-four percent of all 70 end-of-time-limit respondents were working at the time, with mean monthly earnings of $828 and an average hourly wage of $5.81. The average total income for the thirteen nonrespondents was $858, compared to $906 for the entire post-time-limit sample. Nearly 70 percent of the 13 participated in education or training activities while in FTP; 71 percent of the full group took advantage of these activities.

The 13 also resembled the larger group in terms of demographics. The nonrespondents averaged 33 years in age at the end-of-time-limit interview and 2.8 children, which can be compared to 31 years of age and 2.7 children for the larger group. Forty-six percent of those who were interviewed only once had never been married at the end of their time limit. Fifty-six percent of the larger group had never married.

Appendix C

Additional Impact Tables

Table C.1

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Quarter

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed, years 1-3 (%)	81.6	77.7	3.9 ***	5.0
Year 1	62.1	58.3	3.8 **	6.6
Year 2	66.5	59.9	6.5 ***	10.9
Year 3	67.3	60.2	7.2 ***	11.9
Quarter of random assignment	35.5	34.1	1.3	3.9
Quarter 1	37.9	37.5	0.4	1.0
Quarter 2	41.8	39.2	2.5	6.4
Quarter 3	44.3	39.8	4.5 ***	11.4
Quarter 4	45.2	40.8	4.3 **	10.6
Quarter 5	47.0	41.1	5.9 ***	14.3
Quarter 6	49.2	41.9	7.3 ***	17.5
Quarter 7	49.8	45.2	4.6 ***	10.2
Quarter 8	52.8	44.5	8.3 ***	18.7
Quarter 9	52.4	45.3	7.1 ***	15.6
Quarter 10	50.8	44.2	6.6 ***	15.0
Quarter 11	50.6	44.0	6.7 ***	15.1
Quarter 12	49.7	44.2	5.5 ***	12.5
Average quarterly employment rate, years 1-3 (%)	47.6	42.3	5.3 ***	12.6
Year 1	42.3	39.3	3.0 **	7.5
Year 2	49.7	43.2	6.5 ***	15.1
Year 3	50.9	44.4	6.5 ***	14.6
Average total earnings, years 1-3 ($)	11,442	9,679	1,763 ***	18.2
Year 1	2,759	2,518	241 *	9.6
Year 2	3,942	3,281	661 ***	20.1
Year 3	4,741	3,880	862 ***	22.2
Quarter of random assignment	428	400	28	7.0
Quarter 1	522	521	2	0.3
Quarter 2	653	607	47	7.7
Quarter 3	764	676	89 **	13.1
Quarter 4	819	716	104 **	14.5
Quarter 5	893	745	148 ***	19.9
Quarter 6	946	782	164 ***	21.0
Quarter 7	1,014	874	141 ***	16.1
Quarter 8	1,088	881	207 ***	23.5
Quarter 9	1,158	932	226 ***	24.3
Quarter 10	1,144	957	188 ***	19.6
Quarter 11	1,201	982	219 ***	22.3
Quarter 12	1,238	1,009	229 ***	22.7
Average earnings per quarter employed, years 1-3[a] ($)	*2,003*	*1,907*	*96*	*5.0*
Year 1	*1,632*	*1,601*	*31*	*1.9*
Year 2	*1,983*	*1,900*	*82*	*4.3*
Year 3	*2,330*	*2,184*	*146*	*6.7*

(continued)

Table C.1 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever received any AFDC/TANF payments, years 1-3 (%)	84.1	83.5	0.5	0.6
Year 1	81.9	81.1	0.8	1.0
Year 2	57.6	56.4	1.1	2.0
Year 3	37.1	42.1	-5.0 ***	-11.9
Quarter of random assignment	79.7	76.5	3.2 **	4.1
Quarter 1	78.7	76.9	1.8	2.3
Quarter 2	70.1	67.3	2.8 *	4.2
Quarter 3	61.2	58.9	2.3	3.9
Quarter 4	56.6	54.4	2.2	4.1
Quarter 5	50.7	49.8	0.9	1.8
Quarter 6	46.1	47.1	-1.1	-2.3
Quarter 7	41.2	42.1	-0.9	-2.2
Quarter 8	36.3	38.5	-2.2	-5.7
Quarter 9	30.1	35.8	-5.7 ***	-15.8
Quarter 10	26.4	32.7	-6.3 ***	-19.2
Quarter 11	23.1	30.7	-7.6 ***	-24.8
Quarter 12	18.6	27.9	-9.3 ***	-33.3
Average number of months receiving AFDC/TANF payments, years 1-3	16.5	17.4	-0.9	-5.0
Year 1	7.3	7.0	0.3 *	3.6
Year 2	4.5	4.7	-0.2	-3.9
Year 3	2.4	3.3	-0.9 ***	-27.6
Average total AFDC/TANF payments received, years 1-3 ($)	3,703	4,147	-444 ***	-10.7
Year 1	1,981	1,990	-9	-0.5
Year 2	1,157	1,291	-134 ***	-10.4
Year 3	565	866	-301 ***	-34.8
Quarter of random assignment	580	557	23 **	4.1
Quarter 1	609	597	12	2.0
Quarter 2	521	522	0	0.0
Quarter 3	449	452	-3	-0.8
Quarter 4	402	419	-17	-4.2
Quarter 5	356	377	-21	-5.6
Quarter 6	316	342	-27 *	-7.8
Quarter 7	264	298	-34 **	-11.3
Quarter 8	221	274	-53 ***	-19.4
Quarter 9	179	253	-73 ***	-29.0
Quarter 10	153	227	-73 ***	-32.4
Quarter 11	131	207	-76 ***	-36.7
Quarter 12	101	179	-78 ***	-43.7

(continued)

Table C.1 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average AFDC TANF payment per month received, years 1-3[a] ($)	*224*	*238*	*-14*	*-6.0*
Year 1	*271*	*282*	*-11*	*-3.9*
Year 2	*255*	*273*	*-18*	*-6.7*
Year 3	*239*	*265*	*-26*	*-9.9*
Ever received any Food Stamp payments, years 1-3 (%)	90.5	90.1	0.3	0.4
Year 1	89.0	88.6	0.4	0.5
Year 2	69.6	71.0	-1.4	-2.0
Year 3	58.6	59.1	-0.5	-0.9
Quarter of random assignment	88.1	86.2	1.9 *	2.2
Quarter 1	86.8	86.5	0.3	0.3
Quarter 2	78.5	78.0	0.5	0.6
Quarter 3	71.8	71.3	0.6	0.8
Quarter 4	68.6	68.3	0.2	0.3
Quarter 5	64.3	65.3	-1.0	-1.5
Quarter 6	61.4	61.7	-0.3	-0.4
Quarter 7	57.6	58.8	-1.2	-2.0
Quarter 8	55.2	56.4	-1.3	-2.2
Quarter 9	52.0	52.3	-0.3	-0.6
Quarter 10	50.5	49.1	1.4	2.8
Quarter 11	45.7	46.3	-0.7	-1.4
Quarter 12	42.6	45.4	-2.8	-6.2
Average number of months receiving Food Stamp payments, years 1-3	19.8	20.0	-0.1	-0.6
Year 1	8.5	8.5	0.0	0.2
Year 2	6.5	6.6	-0.1	-1.4
Year 3	4.8	4.9	0.0	-0.8
Average total value of Food Stamp payments received, years 1-3 ($)	4,938	5,389	-451 ***	-8.4
Year 1	2,129	2,292	-163 ***	-7.1
Year 2	1,621	1,796	-176 ***	-9.8
Year 3	1,188	1,301	-112 **	-8.6
Quarter of random assignment	591	600	-9	-1.5
Quarter 1	620	658	-38 ***	-5.8
Quarter 2	547	582	-35 ***	-6.0
Quarter 3	499	531	-32 **	-6.0
Quarter 4	463	520	-58 ***	-11.1
Quarter 5	437	488	-51 ***	-10.5
Quarter 6	419	464	-45 ***	-9.7
Quarter 7	393	434	-41 ***	-9.5
Quarter 8	371	410	-39 **	-9.4
Quarter 9	352	386	-35 **	-9.0
Quarter 10	332	356	-23	-6.6
Quarter 11	270	294	-24 *	-8.3
Quarter 12	235	265	-30 **	-11.3

(continued)

Table C.1 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average Food Stamp payment per month received, years 1-3[a] ($)	*249*	*270*	*-21*	*-7.8*
Year 1	*251*	*271*	*-20*	*-7.3*
Year 2	*247*	*270*	*-23*	*-8.5*
Year 3	*247*	*268*	*-21*	*-7.9*
Average total income from earnings, AFDC/TANF, and Food Stamps, years 1-3 ($)	20,083	19,215	868 *	4.5
Year 1	6,869	6,801	69	1.0
Year 2	6,719	6,368	351 *	5.5
Year 3	6,495	6,046	449 **	7.4
Quarter of random assignment	1,599	1,557	42	2.7
Quarter 1	1,752	1,776	-25	-1.4
Quarter 2	1,722	1,710	11	0.7
Quarter 3	1,712	1,659	53	3.2
Quarter 4	1,684	1,655	28	1.7
Quarter 5	1,687	1,610	76	4.7
Quarter 6	1,681	1,588	93 *	5.8
Quarter 7	1,671	1,605	66	4.1
Quarter 8	1,680	1,565	116 **	7.4
Quarter 9	1,689	1,571	118 **	7.5
Quarter 10	1,630	1,539	91	5.9
Quarter 11	1,601	1,483	118 *	8.0
Quarter 12	1,574	1,453	121 *	8.3
Sample size	1,405	1,410		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

[a]Italics indicates nonexperimental comparision; statistical tests were not performed.

Table C.2

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Prior Employment Subgroups

Outcome	Sample Members Who Were Employed During Prior Year				Sample Members Who Were Not Employed During Prior Year				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Average total earnings ($)									
Average of years 1-2	4,657	4,190	467 **	11.1	2,155	1,812	344 *	19.0	
Year 3	6,168	5,150	1,018 ***	19.8	3,435	2,810	625 **	22.2	
Average total AFDC/TANF payments ($)									
Average of years 1-2	1,327	1,340	-12	-0.9	1,782	1,902	-120 *	-6.3	
Year 3	446	705	-259 ***	-36.7	669	1,005	-336 ***	-33.4	
Average total Food Stamp payments ($)									
Average of years 1-2	1,737	1,826	-89	-4.9	1,997	2,231	-234 ***	-10.5	
Year 3	1,061	1,134	-73	-6.5	1,301	1,445	-144 **	-9.9	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)									
Average of years 1-2	7,722	7,356	365	5.0	5,935	5,945	-10	-0.2	
Year 3	7,675	6,989	686 **	9.8	5,406	5,260	145	2.8	
Combined employment and AFDC/TANF receipt status (%)									
Years 1-2									
Not employed and received AFDC/TANF	21.9	25.3	-3.3 **	-13.2	41.0	46.6	-5.7 ***	-12.1	
Employed and received AFDC/TANF	28.9	23.2	5.7 ***	24.5	17.9	12.9	5.0 ***	39.2	
Employed and did not receive AFDC/TANF	32.2	34.2	-2.0	-6.0	14.5	14.5	0.1	0.6	
Not employed and did not receive AFDC/TANF	17.0	17.3	-0.3	-1.8	26.6	26.0	0.5	2.1	
Year 3									
Not employed and received AFDC/TANF	8.6	14.4	-5.8 ***	-40.4	16.4	25.2	-8.8 ***	-34.8	
Employed and received AFDC/TANF	12.3	13.0	-0.7	-5.4	11.4	10.5	1.0	9.5	
Employed and did not receive AFDC/TANF	50.2	43.5	6.7 ***	15.3	29.0	23.6	5.4 ***	22.7	
Not employed and did not receive AFDC/TANF	29.0	29.2	-0.1	-0.5	43.1	40.7	2.4	5.9	
Sample size	671	645			734	765			

(continued)

Table C.2 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Table C.3

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Prior Education Subgroups

Outcome	Sample Members Who Have a High School Diploma or GED				Sample Members Who Do Not Have a High School Diploma or GED				Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	
Average total earnings ($)									
Average of years 1-2	4,261	3,664	598 ***	16.3	1,934	1,764	170	9.7	
Year 3	5,959	4,822	1,137 ***	23.6	2,937	2,577	360	14.0	*
Average total AFDC/TANF payments ($)									
Average of years 1-2	1,370	1,395	-24	-1.8	1,880	2,032	-152 **	-7.5	
Year 3	440	702	-262 ***	-37.3	754	1,106	-352 ***	-31.8	
Average total Food Stamp payments ($)									
Average of years 1-2	1,709	1,804	-95	-5.3	2,147	2,452	-305 ***	-12.4	**
Year 3	1,029	1,121	-92	-8.2	1,428	1,591	-164 **	-10.3	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)									
Average of years 1-2	7,340	6,862	478 **	7.0	5,962	6,248	-286	-4.6	**
Year 3	7,428	6,644	784 ***	11.8	5,118	5,274	-156	-3.0	**
Combined employment and AFDC/TANF receipt status (%)									
Years 1-2									
Not employed and received AFDC/TANF	26.8	30.7	-3.8 **	-12.5	40.1	46.3	-6.1 ***	-13.2	
Employed and received AFDC/TANF	24.2	18.3	6.0 ***	32.6	21.7	17.1	4.6 ***	26.9	
Employed and did not receive AFDC/TANF	28.2	28.8	-0.6	-2.1	14.8	15.9	-1.2	-7.3	
Not employed and did not receive AFDC/TANF	20.8	22.3	-1.5	-6.9	23.3	20.7	2.7	12.9	*
Year 3									
Not employed and received AFDC/TANF	9.3	16.9	-7.6 ***	-45.2	17.8	24.7	-6.9 ***	-27.8	
Employed and received AFDC/TANF	10.9	10.4	0.5	5.1	13.2	14.0	-0.8	-5.6	
Employed and did not receive AFDC/TANF	46.4	38.5	7.9 ***	20.6	28.7	25.2	3.5	14.0	
Not employed and did not receive AFDC/TANF	33.4	34.3	-0.8	-2.4	40.3	36.2	4.1 *	11.4	
Sample size	812	846			557	519			

(continued)

Table C.3 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: The General Educational Development (GED) credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Table C.4

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Prior AFDC/TANF Receipt Subgroups

Outcome	First-Time Applicants			Received AFDC/TANF Less Than or Equal to 2 Years			Received AFDC/TANF 2 Years or More			Variation in Subgroup Impacts
	FTP Group	AFDC Group	Difference	FTP Group	AFDC Group	Difference	FTP Group	AFDC Group	Difference	
Average total earnings ($)										
Average of years 1-2	4,550	4,622	-72	3,945	3,163	783 ***	2,667	2,389	278	
Year 3	5,220	5,636	-416	5,350	3,986	1,364 ***	4,270	3,543	726 **	**
Average total AFDC/TANF payments ($)										
Average of years 1-2	628	708	-80	1,158	1,203	-45	2,073	2,141	-68	
Year 3	112	293	-181	364	517	-154 **	810	1,203	-393 ***	**
Average total Food Stamp payments ($)										
Average of years 1-2	904	983	-79	1,455	1,641	-186 **	2,394	2,570	-176 ***	
Year 3	424	507	-83	862	892	-30	1,586	1,754	-169 **	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)										
Average of years 1-2	6,081	6,313	-231	6,558	6,006	552 **	7,133	7,100	34	
Year 3	5,756	6,436	-680	6,576	5,395	1,181 ***	6,665	6,501	164	**
Combined employment and AFDC/TANF receipt status (%)										
Years 1-2										
Not employed and received AFDC/TANF	15.7	16.2	-0.5	25.7	29.4	-3.7 *	40.2	46.0	-5.8 ***	
Employed and received AFDC/TANF	11.0	11.2	-0.1	21.3	16.8	4.5 ***	27.3	20.1	7.1 ***	**
Employed and did not receive AFDC/TANF	35.3	38.6	-3.4	28.9	28.0	0.8	16.1	17.7	-1.6	
Not employed and did not receive AFDC/TANF	38.0	34.0	4.0	24.1	25.7	-1.6	16.5	16.2	0.3	
Year 3										
Not employed and received AFDC/TANF	3.8	7.5	-3.7	8.8	13.2	-4.4 **	17.5	27.0	-9.5 ***	*
Employed and received AFDC/TANF	1.3	3.6	-2.3	9.6	9.0	0.6	15.7	15.4	0.4	
Employed and did not receive AFDC/TANF	41.2	43.8	-2.7	43.6	34.8	8.8 ***	36.0	30.0	6.0 ***	*
Not employed and did not receive AFDC/TANF	53.7	45.0	8.7 **	38.0	43.0	-5.0 **	30.8	27.7	3.1	***
Sample size	157	157		501	455		701	743		

(continued)

Table C.4 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Table C.5

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Age of Youngest Child Subgroups

Outcome	Sample Members Whose Youngest Child Was Less Than Age 3 at RA: FTP Group	AFDC Group	Difference	Percentage Change	Sample Members Whose Youngest Child Was Age 3 or Older at RA: FTP Group	AFDC Group	Difference	Percentage Change	Variation in Subgroup Impacts
Average total earnings ($)									
Average of years 1-2	3,081	2,492	589 ***	23.7	3,571	3,258	313 *	9.6	
Year 3	4,387	3,526	860 ***	24.4	5,055	4,263	792 ***	18.6	
Average total AFDC/TANF payments ($)									
Average of years 1-2	1,686	1,832	-146 **	-8.0	1,491	1,507	-15	-1.0	
Year 3	662	982	-320 ***	-32.6	498	780	-282 ***	-36.1	
Average total Food Stamp payments ($)									
Average of years 1-2	2,073	2,267	-193 ***	-8.5	1,729	1,897	-168 ***	-8.9	
Year 3	1,460	1,590	-130 *	-8.2	979	1,096	-117 *	-10.6	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)									
Average of years 1-2	6,841	6,591	250	3.8	6,792	6,662	130	1.9	
Year 3	6,509	6,098	410	6.7	6,533	6,139	394	6.4	
Combined employment and AFDC/TANF receipt status (%)									
Years 1-2									
Not employed and received AFDC/TANF	32.0	39.8	-7.7 ***	-19.5	32.3	34.6	-2.2	-6.5	**
Employed and received AFDC/TANF	25.1	18.0	7.1 ***	39.3	21.7	17.6	4.0 ***	22.9	*
Employed and did not receive AFDC/TANF	21.6	21.0	0.7	3.1	24.2	25.9	-1.8	-6.8	
Not employed and did not receive AFDC/TANF	21.2	21.2	0.0	0.0	21.8	21.9	-0.1	-0.2	
Year 3									
Not employed and received AFDC/TANF	13.8	20.5	-6.7 ***	-32.6	11.8	19.8	-8.0 ***	-40.2	
Employed and received AFDC/TANF	13.6	14.0	-0.4	-3.1	10.6	10.2	0.4	3.6	
Employed and did not receive AFDC/TANF	38.0	31.1	6.9 ***	22.2	40.4	34.7	5.7 ***	16.4	
Not employed and did not receive AFDC/TANF	34.6	34.4	0.2	0.6	37.2	35.3	1.9	5.5	
Sample size	568	571			722	722			

(continued)

Table C.5 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: RA refers to the calendar quarter in which random assignment occured.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Table C.6

Florida's Family Transition Program

Three-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Race/Ethnicity Subgroups

	Black, Non-Hispanic				White, Non-Hispanic				Variation in
Outcome	FTP Group	AFDC Group	Difference	Percentage Change	FTP Group	AFDC Group	Difference	Percentage Change	Subgroup Impacts
Average total earnings ($)									
Average of years 1-2	3,261	3,008	254	8.4	3,546	2,884	662 ***	23.0	
Year 3	4,733	4,113	619 **	15.1	4,979	3,727	1251 ***	33.6	
Average total AFDC/TANF payments ($)									
Average of years 1-2	1,886	1,949	-63	-3.2	1,219	1,281	-62	-4.8	
Year 3	768	1,091	-323 ***	-29.6	357	603	-246 ***	-40.9	
Average total Food Stamp payments ($)									
Average of years 1-2	2,245	2,418	-173 ***	-7.1	1,464	1,620	-156 **	-9.6	
Year 3	1,549	1,648	-99	-6.0	793	906	-113	-12.4	
Average total income from earnings, AFDC/TANF, and Food Stamps ($)									
Average of years 1-2	7,392	7,374	18	0.2	6,229	5,785	444 **	7.7	
Year 3	7,049	6,853	196	2.9	6,129	5,236	892 ***	17.0	
Combined employment and AFDC/TANF receipt status (%)									
Years 1-2									
Not employed and received AFDC/TANF	34.1	39.1	-5.1 ***	-12.9	29.5	33.5	-4.0 **	-12.0	
Employed and received AFDC/TANF	29.0	22.9	6.1 ***	26.5	17.4	12.3	5.1 ***	41.7	
Employed and did not receive AFDC/TANF	20.7	21.9	-1.2	-5.4	26.0	26.3	-0.3	-1.2	
Not employed and did not receive AFDC/TANF	16.2	16.1	0.2	1.0	27.1	27.9	-0.8	-2.8	
Year 3									
Not employed and received AFDC/TANF	15.9	22.3	-6.4 ***	-28.6	8.7	17.2	-8.5 ***	-49.4	
Employed and received AFDC/TANF	16.3	16.8	-0.5	-3.0	7.4	6.4	1.1	16.7	
Employed and did not receive AFDC/TANF	39.8	33.3	6.5 ***	19.6	39.9	32.9	7.0 ***	21.4	
Not employed and did not receive AFDC/TANF	27.9	27.5	0.4	1.4	43.9	43.5	0.4	0.9	
Sample size	712	698			606	628			

(continued)

Table C.6 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Seventy-seven recipients who selected other race/ethnicity categories on the Background Information Form (BIF) were not included in the subgroup sample because of low sample size and the heterogeneity of the "Other" race/ethnicity group. The "Other" race/ethnicity category includes those individuals selecting Hispanic (31), Native American (35), or Asian (11) on the BIF.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8; year 3 refers to quarters 9-12. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. These results are presented next to the "difference" column.

An F test was performed to determine whether the variation in three-year impacts across subgroups was statistically significant at the 10 percent level or greater. These results are presented in the "variation in subgroup impacts" column. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

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After AFDC: Welfare-to-Work Choices and Challenges for States. 1997. Dan Bloom.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

Work First: How to Implement an Employment-Focused Approach to Welfare Reform. 1997. Amy Brown.

Business Partnerships: How to Involve Employers in Welfare Reform. 1998. Amy Brown, Maria Buck, Erik Skinner.

Learnfare: How to Implement a Mandatory Stay-in-School Program for Teenage Parents on Welfare. 1998. David Long, Johannes Bos.

Project on Devolution and Urban Change

A multi-year study in four major urban counties — Cuyahoga County, Ohio (which includes the city of Cleveland), Los Angeles, Miami-Dade, and Philadelphia — that examines how welfare reforms are being implemented and affect poor people, their neighborhoods, and the institutions that serve them.

Big Cities and Welfare Reform: Early Implementation and Ethnographic Findings from the Project on Devolution and Urban Change. 1999. Janet Quint, Kathryn Edin, Maria Buck, Barbara Fink, Yolanda Padilla, Olis Simmons-Hewitt, Mary Valmont.

Time Limits

Cross-State Study of Time-Limited Welfare

An examination of the implementation of some of the first state-initiated time-limited welfare programs.

Implementing Time-Limited Welfare: Early Experiences in Three States. 1995. Dan Bloom, David Butler.

The View from the Field: As Time Limits Approach, Welfare Recipients and Staff Talk About Their Attitudes and Expectations. 1997. Amy Brown, Dan Bloom, David Butler.

Welfare Time Limits: An Interim Report Card. 1999. Dan Bloom.

Connecticut's Jobs First Program

An evaluation of Connecticut's statewide time-limited welfare program, which includes financial work incentives and requirements to participate in employment-related services aimed at rapid job placement. This study provides some of the earliest information on the effects of time limits in major urban areas.

Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative. 1998. Dan Bloom, Mary Andes, Claudia Nicholson.

Connecticut Post-Time Limit Tracking Study: Three-Month Survey Results. 1998. Jo Anna Hunter-Manns, Dan Bloom, Richard Hendra, Johanna Walter.

Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results. 1999. Jo Anna Hunter-Manns, Dan Bloom.

Florida's Family Transition Program

An evaluation of Florida's initial time-limited welfare program, which includes services, requirements, and financial work incentives intended to reduce long-term welfare receipt and help welfare recipients find and keep jobs.

The Family Transition Program: An Early Implementation Report on Florida's Time-Limited Welfare Initiative. 1995. Dan Bloom.

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Vermont's Welfare Restructuring Project
An evaluation of Vermont's statewide welfare reform program, which includes a work requirement after a certain period of welfare receipt, and financial work incentives.

WRP: Implementation and Early Impacts of Vermont's Welfare Restructuring Project. 1998. Dan Bloom, Charles Michalopoulos, Johanna Walter, Patricia Auspos.

Financial Incentives

Minnesota Family Investment Program
An evaluation of Minnesota's welfare reform initiative, which aims to encourage work, alleviate poverty, and reduce welfare dependence.

MFIP: An Early Report on Minnesota's Approach to Welfare Reform. 1995. Virginia Knox, Amy Brown, Winston Lin.

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A test of a community-based, work-focused antipoverty program and welfare alternative operating in Milwaukee.

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Canada's Self-Sufficiency Project
A test of the effectiveness of a temporary earnings supplement on the employment and welfare receipt of public assistance recipients. Reports on the Self-Sufficiency Project are available from: Social Research and Demonstration Corporation (SRDC), 275 Slater St., Suite 900, Ottawa, Ontario K1P 5H9, Canada. Tel.: 613-237-4311; Fax: 613-237-5045. In the United States, the reports are also available from MDRC.

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National Evaluation of Welfare-to-Work Strategies
A large-scale study (formerly known as the JOBS Evaluation) of different strategies for moving people from welfare to employment.

Adult Education for People on AFDC: A Synthesis of Research (U.S. Department of Education [ED]/U.S. Department of Health and Human Services [HHS]). 1995. Edward Pauly.

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Los Angeles's Jobs-First GAIN Program

An evaluation of Los Angeles's refocused GAIN (welfare-to-work) program, which emphasizes rapid employment. This is the first in-depth study of a full-scale "work first" program in one of the nation's largest urban areas.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

The Los Angeles Jobs-First GAIN Evaluation: Preliminary Findings on Participation Patterns and First-Year Impacts. 1998. Stephen Freedman, Marisa Mitchell, David Navarro.

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Ohio's LEAP Program

An evaluation of Ohio's Learning, Earning, and Parenting (LEAP) Program, which uses financial incentives to encourage teenage parents on welfare to stay in or return to school.

LEAP: Three-Year Impacts of Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1996. David Long, Judith M. Gueron, Robert G. Wood, Rebecca Fisher, Veronica Fellerath.

LEAP: Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1997. Johannes Bos, Veronica Fellerath.

New Chance Demonstration

A test of a comprehensive program of services that seeks to improve the economic status and general well-being of a group of highly disadvantaged young women and their children.

New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children. 1997. Janet Quint, Johannes Bos, Denise Polit.

Parenting Behavior in a Sample of Young Mothers in Poverty: Results of the New Chance Observational Study. 1998. Martha Zaslow, Carolyn Eldred, editors.

Focusing on Fathers

Parents' Fair Share Demonstration

A demonstration for unemployed noncustodial parents (usually fathers) of children on welfare. PFS aims to improve the men's employment and earnings, reduce child poverty by increasing child support payments, and assist the fathers in playing a broader constructive role in their children's lives.

Low-Income Parents and the Parents' Fair Share Demonstration. 1996. Earl Johnson, Fred Doolittle.

Working with Low-Income Cases: Lessons for the Child Support Enforcement System from Parents' Fair Share. 1998. Fred Doolittle, Suzanne Lynn.

Building Opportunities, Enforcing Obligations: Implementation and Interim Impacts of Parents' Fair Share. 1998. Fred Doolittle, Virginia Knox, Cynthia Miller, Sharon Rowser.

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From Welfare to Work Among Lone Parents in Britain: Lessons for America. 1996. James A. Riccio.

Employment and Community Initiatives

Connections to Work Project

A study of local efforts to increase competition in the choice of providers of employment services for welfare recipients and other low-income populations. The project also provides assistance to cutting-edge local initiatives aimed at helping such people access and secure jobs.

Tulsa's IndEx Program: A Business-Led Initiative for Welfare Reform and Economic Development. 1997. Maria Buck.

Washington Works: Sustaining a Vision of Welfare Reform Based on Personal Change, Work Preparation, and Employer Involvement. 1998. Susan Gooden.

Cost Analysis Step by Step: A How-to Guide for Planners and Providers of Welfare-to-Work and Other Employment and Training Programs. 1998. David Greenberg, Ute Appenzeller.

Jobs-Plus Initiative

A multi-site effort to greatly increase employment among public housing residents.

A Research Framework for Evaluating Jobs-Plus, a Saturation and Place-Based Employment Initiative for Public Housing Residents. 1998. James A. Riccio.

Section 3 Public Housing Study

An examination of the effectiveness of Section 3 of the 1968 Housing and Urban Development Act in affording employment opportunities for public housing residents.

Lessons from the Field on the Implementation of Section 3 (U.S. Department of Housing and Urban Development). 1996. Maxine Bailey, Suzanne Lynn.

Canada's Earnings Supplement Project

A test of an innovative financial incentive intended to expedite the reemployment of displaced workers and encourage full-year work by seasonal or part-year workers, thereby also reducing receipt of Unemployment Insurance.

Implementing the Earnings Supplement Project: A Test of a Re-employment Incentive (Social Research and Demonstration Corporation). 1997. Howard Bloom, Barbara Fink, Susanna Lui-Gurr, Wendy Bancroft, Doug Tattrie.

Education Reform

School-to-Work Project

A study of innovative programs that help students make the transition from school to work or careers.

Home-Grown Lessons: Innovative Program Linking School and Work (Jossey-Bass Publishers). 1995. Edward Pauly, Hilary Kopp, Joshua Haimson.

Home-Grown Progress: The Evolution of Innovative School-to-Work Programs. 1997. Rachel A. Pedraza, Edward Pauly, Hilary Kopp.

Career Academies

The largest and most comprehensive evaluation of a school-to-work initiative, this 10-site study examines a promising approach to high school restructuring and the school-to-work transition.

Career Academies: Early Implementation Lessons from a 10-Site Evaluation. 1996. James J. Kemple, JoAnn Leah Rock.

Career Academies: Communities of Support for Students and Teachers — Emerging Findings from a 10-Site Evaluation. 1997. James J. Kemple.

Project Transition

A demonstration program that tested a combination of school-based strategies to facilitate students' transition from middle school to high school.

Project Transition: Testing an Intervention to Help High School Freshmen Succeed. 1999. Janet Quint, Cynthia Miller, Jennifer Pastor, Rachel Cytron.

About MDRC

The Manpower Demonstration Research Corporation (MDRC) is a nonprofit, nonpartisan social policy research organization. We are dedicated to learning what works to improve the well-being of low-income people. Through our research and the active communication of our findings, we seek to enhance the effectiveness of social policies and programs. MDRC was founded in 1974 and is located in New York City and San Francisco.

MDRC's current projects focus on welfare and economic security, education, and employment and community initiatives. Complementing our evaluations of a wide range of welfare reforms are new studies of supports for the working poor and emerging analyses of how programs affect children's development and their families' well-being. In the field of education, we are testing reforms aimed at improving the performance of public schools, especially in urban areas. Finally, our community projects are using innovative approaches to increase employment in low-income neighborhoods.

Our projects are a mix of demonstrations – field tests of promising program models – and evaluations of government and community initiatives, and we employ a wide range of methods such as large-scale studies to determine a program's effects, surveys, case studies, and ethnographies of individuals and families. We share the findings and lessons from our work – including best practices for program operators – with a broad audience within the policy and practitioner community, as well as the general public and the media.

Over the past quarter century, MDRC has worked in almost every state, all of the nation's largest cities, and Canada. We conduct our projects in partnership with state and local governments, the federal government, public school systems, community organizations, and numerous private philanthropies.

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